

ORIGINAL



0000080535

Thomas J. Bourassa
CERTIFIED PUBLIC ACCOUNTANT
139 W. Wood Drive
Phoenix, Arizona 85029

28

2008 JAN 15 A 11:56

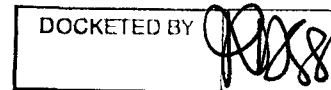
AZ CORP COMMISSION
DOCKET CONTROL

January 14, 2008

Elijah Abinah
Assistant Director
Regulatory Analysis Section
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007-2927

Arizona Corporation Commission
DOCKETED
JAN 15 2008

Re: Responses to Letter of Deficiency
Oak Creek Water Company No. 1
Docket No. W-01392A-07-0679



Dear Mr. Abinah:

This letter is in response to the Letter of Deficiency dated January 3, 2008 for Oak Creek Water Company No. 1. The response to each item of deficiency is as follows:

1. Application Forms

a. Page 11 – Correct the following errors and resubmit. Under meter test, it should include the words in parenthesis, (if correct). Re-establishment (within 12 months after hours), under current rates should be N/A (not applicable). Meter re-read, under current rates should be N/A (not applicable).

Response: Please see the attached revised page 11.

b. Page 13 – Confirm if the additions were put into the correct asset accounts. Confirm if the Company has been purchasing Laboratory Equipment as listed in page 13b. If so, please resubmit a revised page.

Response: The Company has not purchased laboratory equipment. There was a linking problem between the detail for page 15 which affected the summary pages 13, 14, and 15. Please see the attached revised page 13.

c. Page 14 – The Plant Summary page balances do not reflect the prior Decision balances. Account 340 needs to be broken out with its sub-account, account 340.1 Computers.

Response: Please see the attached revised page 14 which includes a break-out of computer equipment.

d. Page 14 – Accounts 343, 346, and 347 balances are indicated in the incorrect accounts. Please reconcile and resubmit a revised page.

Response: There was a linking problem between the detail for page 15 which affected the summary pages 13, 14, and 15. Please see the attached revised page 14.

e. Page 15 – Utility Plant in Service needs to be revised as a result of changes to pages 13 and 14. Revised and resubmit.

Response: There was a linking problem between the detail for page 15 which affected the summary pages 13, 14, and 15. Please see the attached revised page 15.

f. Page 19 – Comparative Statement of Income and Expenses needs to be revised and resubmitted as a result of the changes mentioned.

Response: Please see the attached revised page 19.

g. Page 20 – Calculation of Depreciation Expense - needs to be recalculated, revised and resubmitted as a result of the revisions mention above and the effects of the application of the proper depreciation rate of Account 340.1, Computers. Additionally, Decision No. 64198 did not take effect until December 1, 2001. Recalculate the depreciation expense and accumulated depreciation utilizing the ordered depreciation rates beginning in December 1, 2001 to the present, including the test year. The Company is incorrect in applying the new depreciation rates beginning in June 2000 to the present.

Response: Please see the attached revised page 20 reflecting revisions to pages 13 through 15. Accumulated depreciation is computed correctly. Authorized depreciation rates used for computing accumulated depreciation are assumed to begin in November 2001, the month Decision 64198 was approved, and not December 2001.

h. Please recalculate and resubmit plant balances if there were any plant retirements (removals or replacements) that were done. Staff notes that there are computers and pumping equipment being added. Were any vehicles added or retired?

Response: The revised plant schedules on pages 13 through 15 reflect additions and retirements to computer equipment. Additional computer equipment purchased in 2003 was found during the Company's review. Copies of invoices supporting the additional computer equipment are attached. No vehicles added or retired.

i. Page 21 – Balance Sheet needs to be revised and resubmitted as a result of the changes mentioned above.

Response: Please see revised page 21 and page 22.

j. Page 24 – Advances in Aid of Construction (“advances”) – Please submit a lead schedule showing the year and amount of the advances and the breakdown of the refunds made by year per advance. Please confirm that the Company is abiding by the agreement of the advances. Please confirm that any unrefunded advance amount was transferred to Account 271, Contributions in Aid of Construction.

Response: The detail for advances-aid-of construction is attached. There are no expired advances through the end of the test year.

k. Bill Counts – Please re-accomplish and resubmit pages relating to the bill count summaries of 3/4 inch multi-unit 3, 3/4 inch multi-unit 7, and 3/4 inch multi-unit 24.

Response: Please see the attached revised pages for the 3/4 inch multi-unit 3, 3/4 inch multi-unit 7, and 3/4 inch multi-unit 24.

l. For the plant addition invoices, segregate and identify the invoice(s) to indicate which plant account(s) the invoice(s) is (are) for, instead of grouping it (them) into the year the asset(s) is (are) added.

Response: Rather than resend all of the plant invoices, the Company has prepared a summary schedule (see attached) shows the invoice number, vendor, plant account, invoice amount, and year of purchase.

2. A copy of certificate of compliance with Arizona Department of Revenue (“ADOR”) was not included in the application package. A copy of the application for the certificate is not sufficient. Send a copy of the certificate from ADOR.

Response: Please see the attached ADOR compliance certificate.

3. According to the submitted June 12, 2007 Arizona Department of Environmental Quality (“ADEQ”) drinking water compliance status report, there were major deficiencies found in Company’s system due to Company’s failure to monitor and report its lead and copper monitoring. ADEQ states that it cannot determine if the system is currently delivering water that meets water quality standards. Please correct the deficiency and submit a new ADEQ drinking water compliance report.

Response: Please find the attached ADEQ compliance status report.

4. In reference to the plant addition/retirement information from 2002 to 2006 (see pages 13a-13d of the application). It appears that the Company keeps purchasing land on the yearly basis. Please explain the reasons for the purchases since the Company already owns all the well sites and storage tanks sites.

Response: The amounts shown on the plant schedules are for land easements (land rights). A copy of the easement agreement is attached.

5. The Company reported it purchased "laboratory equipments" in 2002 and 2003. At the same time, the Company also requested Turner Laboratories, Inc. to test water samples on a routine basis. Please explain why the Company purchased laboratory equipments if the Company's operator did not conduct laboratory analysis.

Response: The Company has not purchased any laboratory equipment. See revisions to pages 13 through 15, contained herein.

6. Based on invoices from the Turner Laboratories, Inc, it appears that the Company owns and operates a GFAA unit to remove heavy metals. If this is true statement, list the GFAA in the "treatment equipment" section on page 17 of the application form. Also, please record the cost of purchasing the GFAA in the plant additions/retirement at the year that the Company purchased the equipment.

Response: The Company does not own and operate a GFAA unit. The invoices from Turner Laboratories were for water testing NOT the purchase of laboratory equipment. Accordingly, the Company has not revised page 17 of the Application.

The Company further responds to the following items which are not considered for sufficiency determination, however, Staff has requested that the Company provide clarification for Staff to make its recommendations.

1. Please describe the Company's ownership structure. Please describe the management structure of the Company. Does the Company have a Board of Directors? What management positions does the Company use? Please submit copies of the board meeting's minutes during the test year.

Response: The Company is a member owned association and does have a board of directors. The Company has a president and manager (Dicks Sitts) as well as operations manager (Steve Yerich). Please see the attached minutes of the Board of Directors for 2006.

2. Identify who is the Company's certified operator is how much is the operator's compensation.

Response: The Company's certified operation is Steve Yerich. His certification number is OP006588. Mr. Yerich's 2006 compensation was \$49,885.

3. Please explain why a non-profit water utility would needs a rate increase when the Company has \$352,807 in temporary cash investments.

Response: The Company is experiencing operating losses the past few years and will experience operating losses in the future without a rate increase. It is the

responsibility of the Board to insure the continued financial health of the utility (which includes maintaining a reasonable operating margin). The Company's requested operating margin is 10% which the Company believes is the minimum level necessary for smaller utilities (including non-profits) to maintain a sound financial condition. The Company's cash reserve serves several purposes the most important of which is eventual plant replacement. In this sense the cash reserves are plant replacement reserves. Putting this aside, the cash reserves also serves to address continuing plant improvements/upgrades (including the possibility of addressing potential arsenic and other water quality issues) as well as both planned and unplanned capital repairs and maintenance (which are and will become more significant as the Company's facilities age). The Company has responsibly built-up and maintains a cash reserve, but this does not mean that a rate increase is not warranted.

4. Please provide a breakdown of account 174, miscellaneous current and accrued assets.

Response: The breakdown of the 174, Miscellaneous Current and Accrued Assets for 2006 is a follows:

| | |
|------------------------------|--------------|
| Arsenic Removal ¹ | \$ 7,200.00 |
| Workers Compensation Deposit | \$ 378.00 |
| Pre-paid Insurance | \$ 2,693.15 |
| Work-in-progress | \$ 15,828.81 |
| Total | \$ 26,099.96 |

¹ Preliminary engineering and design work for arsenic removal plant and equipment.

5. Please explain why the Company believes that it will incur yearly bad debt expense of \$811 when no expense was taken in the past.

Response: The Company has incurred bad debt expense in the past. In 2005, for example, the Company incurred \$825 of bad debt (*See* 2005 Accountant's Compilation report already provided to Staff). The amount the Company incurred for 2006 was approximately the same as 2005. Bad debt included in the test year is far less than 1% of annual revenues and is reasonable.

6. Please clarify the source(s) of account 419, interest and dividend income. Does the Company believe that this source of other income will continue in the future?

Response: Interest income is the interest earned on the Company's cash reserves (temporary cash investments). By nature, this income will vary depending on the balance of the cash reserves from year to year as well as the interest rate available.

7. Please explain the source(s) of the Company's interest expense, account 427, of \$91? Does the Company believe that this expense will continue in the future?

Response: Yes. This is the interest paid on customer deposits and will continue.

8. Please confirm that the Company had no miscellaneous non-utility income.

Response: Correct, there was no non-utility income.

9. Please confirm that there are no advances or contributions since the prior rate case.

Response: Correct, there were no new advances or contributions since the prior case.

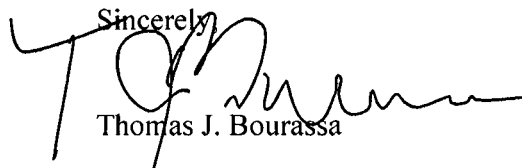
10. Please explain the Company's capitalization policy?

Response: The Company does not have a formal capitalization policy. Generally, if an expenditure has a benefit of more than one year and/or increases the service life of an asset it is capitalized. If the amount is relatively small or it is recurring expense incurred for repairing or maintaining it plant and equipment, it is expensed.

11. According to the 2006 Company's Annual Report, the arsenic levels in three Company wells were below arsenic MCL. It is unclear why the Company conducted monthly arsenic sampling and testing from March 2007 to November 2007. Please explain.

Response: The level of arsenic in the water from some or all of the Company's wells is approaching the arsenic standard of 10 ppb. The Board believes it is necessary to monitor the arsenic levels in its wells not only in order to insure the public safety, but to assist it addressing appropriate arsenic remediation in a timely fashion when and if becomes necessary.

If you have any questions, please call me at 602-246-7150.

Sincerely,

Thomas J. Bourassa

cc: Kristen Wakeman, Oak Creek Water Company
Freddie Malapit, Utilities Division
file

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

CURRENT AND PROPOSED SERVICE CHARGES

CUSTOMER CLASS: ☐ Residential ☐ Commercial ☐ Industrial
 ☐ Irrigation ☐ All ☐ Other, specify _____

| SERVICE LINE AND METER INSTALLATION CHARGES | CURRENT RATES | PROPOSED RATES |
|--|------------------|-------------------|
| 5/8" x 3/4" Meter | \$ 415 | \$ 415 |
| 3/4" Meter | \$ 475 | \$ 475 |
| 1" Meter | \$ 550 | \$ 550 |
| 1-1/2" Meter | \$ 785 | \$ 785 |
| 2" Meter | \$ 1,375 | \$ 1,375 |
| 3" Meter | \$ 1,975 | \$ 1,975 |
| 4" Meter | \$ 3,040 | \$ 3,040 |
| 6" Meter | \$ 5,635 | \$ 5,635 |
| | | |

| | | |
|---|----------|----------|
| Establishment | \$ 35.00 | \$ 35.00 |
| Establishment (After Hours) | \$ 50.00 | \$ 50.00 |
| Reconnection (Delinquent) | \$ 50.00 | \$ 50.00 |
| Meter Test (if correct) | \$ 30.00 | \$ 30.00 |
| Deposit | * | * |
| Deposit Interest | * | * |
| Re-establishment (Within 12 Months) | ** | ** |
| Re-establishment (Within 12 Months After Hrs) | N/A | ** |
| NSF Check | \$ 25.00 | \$ 25.00 |
| Deferred Payment - per month | 1.50% | 1.50% |
| Meter Re-read | N/A | \$ 20.00 |
| Late Payment Penalty | \$ 5.00 | \$ 5.00 |
| Moving Customer Meter (Customer Request) | N/A | *** |
| After Hours Service Charge (Rule R14-2-403.D) | N/A | Cost |

Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "ALL" is checked.

* Per Commission rule AAC R14-2-403.B

** Number of months off system times the monthly minimum per Commission rule AAC R14-2-403(D).

*** Per Commission rule R14-2-405

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

Plant Additions or (Retirements) by Year

| Acct No. | Description | 2000 (Jul. to Dec.) | | 2001 | |
|----------|--|---------------------|-------------|-----------------|-------------|
| | | Additions | Retirements | Additions | Retirements |
| 301 | Organization | \$ - | \$ - | \$ - | \$ - |
| 302 | Franchises | - | - | - | - |
| 303 | Land and Land Rights | - | - | 437 | - |
| 304 | Structures and Improvements | - | - | - | - |
| 307 | Wells and Springs | - | - | - | - |
| 311 | Pumping Equipment | - | - | - | - |
| 320 | Water Treatment Equipment | - | - | - | - |
| 330 | Distribution Reservoirs and Standpipes | - | - | - | - |
| 331 | Transmission and Distrib. Mains | - | - | - | - |
| 333 | Services | - | - | - | - |
| 334 | Meters and Meter Installations | - | - | 903 | - |
| 335 | Hydrants | - | - | - | - |
| 336 | Backflow Prevention Devices | - | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - | - |
| 340 | Office Furniture and Equipment | - | - | - | - |
| 340.1 | Computer Equipment | - | - | - | - |
| 341 | Transportation Equipment | - | - | - | - |
| 342 | Stores Equipment | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment. | - | - | - | - |
| 344 | Laboratory Equipment | - | - | - | - |
| 345 | Power Operated Equipment | - | - | - | - |
| 346 | Communication Equipment | - | - | - | - |
| 347 | Miscellaneous Equipment | - | - | - | - |
| 348 | Other TangiblePlant | - | - | - | - |
| | TOTAL WATER PLANT | \$ - | \$ - | \$ 1,340 | \$ - |

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

Plant Additions or (Retirements) by Year

| Acct No. | Description | Year 2002 | | Year 2003 | |
|----------|--|-----------------|-------------|------------------|--------------------|
| | | Additions | Retirements | Additions | Retirements |
| 301 | Organization | \$ - | \$ - | \$ - | \$ - |
| 302 | Franchises | - | - | - | - |
| 303 | Land and Land Rights | 935 | - | 197 | - |
| 304 | Structures and Improvements | 44 | - | 30 | - |
| 307 | Wells and Springs | - | - | 7,050 | - |
| 311 | Pumping Equipment | - | - | 13,730 | - |
| 320 | Water Treatment Equipment | - | - | - | - |
| 330 | Distribution Reservoirs and Standpipes | - | - | - | - |
| 331 | Transmission and Distrib. Mains | - | - | - | - |
| 333 | Services | 205 | - | 2,093 | - |
| 334 | Meters and Meter Installations | 1,238 | - | 3,876 | - |
| 335 | Hydrants | - | - | - | - |
| 336 | Backflow Prevention Devices | - | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - | - |
| 340 | Office Furniture and Equipment | 149 | - | - | - |
| 340.1 | Computer Equipment | - | - | 19,396 | (15,067) |
| 341 | Transportation Equipment | - | - | - | - |
| 342 | Stores Equipment | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment. | 300 | - | 452 | - |
| 344 | Laboratory Equipment | - | - | - | - |
| 345 | Power Operated Equipment | - | - | - | - |
| 346 | Communication Equipment | - | - | - | - |
| 347 | Miscellaneous Equipment | - | - | - | - |
| 348 | Other Tangible Plant | - | - | - | - |
| | TOTAL WATER PLANT | \$ 2,871 | \$ - | \$ 46,824 | \$ (15,067) |

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

Plant Additions or (Retirements) by Year

| Acct No. | Description | Year 2004 | | Year 2005 | |
|----------|--|------------------|-------------|---------------|-------------|
| | | Additions | Retirements | Additions | Retirements |
| 301 | Organization | \$ - | \$ - | \$ - | \$ - |
| 302 | Franchises | - | - | - | - |
| 303 | Land and Land Rights | 193 | - | 138 | - |
| 304 | Structures and Improvements | - | - | - | - |
| 307 | Wells and Springs | - | - | - | - |
| 311 | Pumping Equipment | 11,257 | - | - | - |
| 320 | Water Treatment Equipment | - | - | - | - |
| 330 | Distribution Reservoirs and Standpipes | - | - | - | - |
| 331 | Transmission and Distrib. Mains | - | - | - | - |
| 333 | Services | - | - | - | - |
| 334 | Meters and Meter Installations | 787 | - | 723 | - |
| 335 | Hydrants | - | - | - | - |
| 336 | Backflow Prevention Devices | - | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - | - |
| 340 | Office Furniture and Equipment | 178 | - | - | - |
| 340.1 | Computer Equipment | 1,435 | - | - | - |
| 341 | Transportation Equipment | - | - | - | - |
| 342 | Stores Equipment | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment. | - | - | - | - |
| 344 | Laboratory Equipment | - | - | - | - |
| 345 | Power Operated Equipment | - | - | - | - |
| 346 | Communication Equipment | - | - | 81 | - |
| 347 | Miscellaneous Equipment | - | - | - | - |
| 348 | Other Tangible Plant | - | - | - | - |
| | TOTAL WATER PLANT | \$ 13,850 | \$ - | \$ 942 | \$ - |

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

Plant Additions or (Retirements) by Year

| Acct No. | Description | Year 2006 | | Year | |
|----------|--|------------------|-------------|-----------|-------------|
| | | Additions | Retirements | Additions | Retirements |
| 301 | Organization | \$ - | \$ - | | |
| 302 | Franchises | - | - | | |
| 303 | Land and Land Rights | 173 | - | | |
| 304 | Structures and Improvements | 49,898 | - | | |
| 307 | Wells and Springs | - | - | | |
| 311 | Pumping Equipment | 3,151 | - | | |
| 320 | Water Treatment Equipment | - | - | | |
| 330 | Distribution Reservoirs and Standpipes | - | - | | |
| 331 | Transmission and Distrib. Mains | - | - | | |
| 333 | Services | - | - | | |
| 334 | Meters and Meter Installations | 993 | - | | |
| 335 | Hydrants | - | - | | |
| 336 | Backflow Prevention Devices | - | - | | |
| 339 | Other Plant and Misc. Equipment | - | - | | |
| 340 | Office Furniture and Equipment | - | - | | |
| 340.1 | Computer Equipment | - | - | | |
| 341 | Transportation Equipment | - | - | | |
| 343 | Tools, Shop and Garage Equipment. | - | - | | |
| 344 | Laboratory Equipment | - | - | | |
| 345 | Power Operated Equipment | - | - | | |
| 346 | Communication Equipment | - | - | | |
| 347 | Miscellaneous Equipment | 65 | - | | |
| 348 | Other TangiblePlant | - | - | | |
| | TOTAL WATER PLANT | \$ 54,280 | \$ - | | \$ - |

Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.

REVISED
Docket No. W-01392A-07-0679

REVISED DOCKET No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

Plant Summary

| Acct No. | Description | Plant in Service Prior Decision | Total Additions | Total Retirements | Test Year End Total |
|----------|--|---------------------------------|-------------------|--------------------|---------------------|
| | | <i>Column A</i> | <i>Column B</i> | <i>Column C</i> | <i>Column D*</i> |
| 301 | Organization | \$ - | \$ - | \$ - | \$ - |
| 302 | Franchises | 4,276 | - | - | 4,276 |
| 303 | Land and Land Rights | 15,168 | 2,073 | - | 17,241 |
| 304 | Structures and Improvements | 216,622 | 49,972 | - | 266,594 |
| 307 | Wells and Springs | 120,660 | 7,050 | - | 127,710 |
| 311 | Pumping Equipment | 32,359 | 28,138 | - | 60,497 |
| 320 | Water Treatment Equipment | - | - | - | - |
| 330 | Distribution Reservoirs and Standpipes | 170,730 | - | - | 170,730 |
| 331 | Transmission and Distrib. Mains | 616,500 | - | - | 616,500 |
| 333 | Services | 13,259 | 2,298 | - | 15,557 |
| 334 | Meters and Meter Installations | 27,407 | 8,520 | - | 35,927 |
| 335 | Hydrants | 20,337 | - | - | 20,337 |
| 336 | Backflow Prevention Devices | - | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - | - |
| 340 | Office Furniture and Equipment | 2,491 | 327 | - | 2,818 |
| 340.1 | Computer Equipment | 15,067 | 20,831 | (15,067) | 20,831 |
| 341 | Transportation Equipment | 25,636 | - | - | 25,636 |
| 342 | Stores Equipment | - | - | - | - |
| 343 | Tools, Shop and Garage Equipment. | 2,889 | 752 | - | 3,641 |
| 344 | Laboratory Equipment | - | - | - | - |
| 345 | Power Operated Equipment | - | - | - | - |
| 346 | Communication Equipment | 4,957 | 146 | - | 5,103 |
| 347 | Miscellaneous Equipment | 1,493 | - | - | 1,493 |
| 348 | Other Tangible Plant | - | - | - | - |
| | TOTAL WATER PLANT | \$ 1,289,851 | \$ 120,107 | \$ (15,067) | \$ 1,394,891 |

Note: Please refer to the checklist on page 1 for the required attachments related to this schedule

***Column D = Column A + Column B - Column C**

Revised 10/28/2003

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

UTILITY PLANT IN SERVICE

| Acct No. | Description | Original Cost | Accumulated Depreciation | O.C.L.D. |
|-------------|---|---------------------|-----------------------------|-------------------|
| | | | Column B | Column C ** |
| 301 | Organization | \$ - | \$ - | \$ - |
| 302 | Franchises | 4,276 | - | 4,276 |
| 303 | Land and Land Rights | 17,241 | - | 17,241 |
| 304 | Structures and Improvements | 266,594 | 153,867 | 112,727 |
| 307 | Wells and Springs | 127,710 | 86,058 | 41,652 |
| 311 | Pumping Equipment | 60,497 | 47,912 | 12,585 |
| 320 | Water Treatment Equipment | - | - | - |
| 330 | Distribution Reservoirs and Standpipes | 170,730 | 110,816 | 59,914 |
| 331 | Transmission and Distrib. Mains | 616,500 | 393,144 | 223,356 |
| 333 | Services | 15,557 | 9,641 | 5,916 |
| 334 | Meters and Meter Installations | 35,927 | 28,732 | 7,195 |
| 335 | Hydrants | 20,337 | 12,969 | 7,368 |
| 336 | Backflow Prevention Devices | - | - | - |
| 339 | Other Plant and Misc. Equipment | - | - | - |
| 340 | Office Furniture and Equipment | 2,818 | 2,264 | 554 |
| 340.1 | Computer Equipment | 20,831 | 12,301 | 8,530 |
| 341 | Transportation Equipment | 25,636 | 25,636 | - |
| 342 | Stores Equipment | - | - | - |
| 343 | Tools, Shop and Garage Equipment. | 3,641 | 2,437 | 1,204 |
| 344 | Laboratory Equipment | - | - | - |
| 345 | Power Operated Equipment | - | - | - |
| 346 | Communication Equipment | 5,103 | 5,103 | - |
| 347 | Miscellaneous Equipment | 1,493 | 1,493 | - |
| 348 | Other Tangible Plant | - | - | - |
| | TOTAL WATER PLANT * | \$ 1,394,891 | \$ 892,373 | \$ 502,518 |

* Must be the same as the amount reported on Page 20.

** Column C = Column A - Column B

Revised 10/28/2003

[illegible]

| | | | | | | |
|--|-----------|---------|---|---|-----------|--------|
| | 1,289,851 | 594,174 | - | - | 1,289,851 | 31,760 |
| TOTAL WATER PLANT | | | | | | |
| Depreciation | | | | | | |
| Staff Accumulated Depreciation Allocated to Plant. | | | | | | |
| Retirements (excluding land) | | | | | | |
| Accumulated Depreciation Balance | | 594,174 | | | | |
| Half Year Convention used on depreciation | | | | | | |
| (a.) | | | | | 31,760 | |

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.2

| Account No. | Description | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | 2001 Plant Additions | 2001 Plant Adjustments | 2001 Adjusted Plant Additions | 2001 Plant Retirements | 2001 Plant Balance | 2001 Deprec. |
|-------------|---|-----------------------------|----------------------------|----------------------|------------------------|-------------------------------|------------------------|--------------------|--------------|
| 301 | Organization Cost | 0.00% | 0.00% | | | - | | - | - |
| 302 | Franchise Cost | 0.00% | 0.00% | | | - | | 4,276 | - |
| 303 | Land and Land Rights | 0.00% | 0.00% | 437 | | - | | 15,605 | - |
| 304 | Structures and Improvements | 5.00% | 3.33% | | | - | | 216,622 | 10,228 |
| 307 | Wells and Springs | 5.00% | 3.33% | | | - | | 120,660 | 5,697 |
| 311 | Electric Pumping Equipment | 5.00% | 12.50% | | | - | | 32,359 | 2,022 |
| 320 | Water Treatment Equipment | 5.00% | 3.33% | | | - | | - | - |
| 330 | Distribution Reservoirs & Standpipe | 5.00% | 2.22% | | | - | | 170,730 | 7,745 |
| 331 | Transmission and Distribution Mains | 5.00% | 2.00% | | | - | | 616,500 | 27,743 |
| 333 | Services | 5.00% | 3.33% | | | - | | 13,259 | 626 |
| 334 | Meters | 5.00% | 8.33% | 903 | | - | | 28,310 | 1,548 |
| 335 | Hydrants | 5.00% | 2.00% | | | - | | 20,337 | 915 |
| 336 | Backflow Prevention Devices | 5.00% | 6.67% | | | - | | - | - |
| 339 | Other Plant and Miscellaneous Equipment | 5.00% | 6.67% | | | - | | - | - |
| 340 | Office Furniture and Fixtures | 5.00% | 6.67% | | | - | | 2,491 | 131 |
| 340.1 | Computer Equipment | 5.00% | 20.00% | | | - | | 15,067 | 1,130 |
| 341 | Transportation Equipment | 5.00% | 20.00% | | | - | | 25,636 | 1,923 |
| 342 | Stores Equipment | 5.00% | 4.00% | | | - | | - | - |
| 343 | Tools and Work Equipment | 5.00% | 5.00% | | | - | | 2,889 | 144 |
| 344 | Laboratory Equipment | 5.00% | 10.00% | | | - | | - | - |
| 345 | Power Operated Equipment | 5.00% | 5.00% | | | - | | - | - |
| 346 | Communications Equipment | 5.00% | 10.00% | | | - | | 4,957 | 289 |
| 347 | Miscellaneous Equipment | 5.00% | 10.00% | | | - | | 1,493 | 87 |
| 348 | Other Tangible Plant | 5.00% | 10.00% | | | - | | - | - |

| | | | | | |
|-------|---|-------|---|-----------|--------|
| 1,340 | - | 1,340 | - | 1,291,191 | 60,229 |
|-------|---|-------|---|-----------|--------|

TOTAL WATER PLANT

| | | |
|-----|--|---------|
| (a) | Depreciation | 60,229 |
| | Staff Accumulated Depreciation Allocated to Plant: | |
| | Retirements (excluding land) | - |
| | Accumulated Depreciation Balance | 686,164 |
| | Half Year Convention used on depreciation | |

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.3

| Account No. | Description | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | 2002 Plant Additions | 2002 Plant Adjustments | 2002 Adjusted Plant | 2002 Plant Retirements | 2002 Plant Balance | 2002 Deprec. |
|-------------|---|-----------------------------|----------------------------|----------------------|------------------------|---------------------|------------------------|--------------------|--------------|
| 301 | Organization Cost | 0.00% | 0.00% | | | - | | - | - |
| 302 | Franchise Cost | 0.00% | 0.00% | | | - | | 4,276 | - |
| 303 | Land and Land Rights | 0.00% | 0.00% | 935 | | 935 | | 16,540 | - |
| 304 | Structures and Improvements | 5.00% | 3.33% | 44 | | 44 | | 216,866 | 7,214 |
| 307 | Wells and Springs | 5.00% | 3.33% | | | - | | 120,660 | 4,018 |
| 311 | Electric Pumping Equipment | 5.00% | 12.50% | | | - | | 32,359 | 4,045 |
| 320 | Water Treatment Equipment | 5.00% | 3.33% | | | - | | - | - |
| 330 | Distribution Reservoirs & Standpipe | 5.00% | 2.22% | | | - | | 170,730 | 3,790 |
| 331 | Transmission and Distribution Mains | 5.00% | 2.00% | | | - | | 616,500 | 12,330 |
| 333 | Services | 5.00% | 3.33% | 205 | | 205 | | 13,464 | 445 |
| 334 | Meters | 5.00% | 8.33% | 1,238 | | 1,238 | | 29,548 | 2,410 |
| 335 | Hydants | 5.00% | 2.00% | | | - | | 20,337 | 407 |
| 336 | Backflow Prevention Devices | 5.00% | 6.67% | | | - | | - | - |
| 339 | Other Plant and Miscellaneous Equipment | 5.00% | 6.67% | | | - | | - | - |
| 340 | Office Furniture and Fixtures | 5.00% | 6.67% | 149 | | 149 | | 2,640 | 171 |
| 340.1 | Computer Equipment | 5.00% | 20.00% | | | - | | 15,067 | 3,013 |
| 341 | Transportation Equipment | 5.00% | 20.00% | | | - | | 25,636 | 5,127 |
| 342 | Stores Equipment | 5.00% | 4.00% | | | - | | - | - |
| 343 | Tools and Work Equipment | 5.00% | 5.00% | 300 | | 300 | | 3,189 | 152 |
| 344 | Laboratory Equipment | 5.00% | 10.00% | | | - | | - | - |
| 345 | Power Operated Equipment | 5.00% | 5.00% | | | - | | - | - |
| 346 | Communications Equipment | 5.00% | 10.00% | | | - | | 4,957 | 496 |
| 347 | Miscellaneous Equipment | 5.00% | 10.00% | | | - | | 1,493 | 149 |
| 348 | Other Tangible Plant | 5.00% | 10.00% | | | - | | - | - |

| | | | | | |
|-------|---|-------|---|-----------|--------|
| 2,871 | - | 2,871 | - | 1,294,062 | 43,767 |
|-------|---|-------|---|-----------|--------|

TOTAL WATER PLANT

- (a) Depreciation
Staff Accumulated Depreciation Allocated to Plant.
Retirements (excluding land)
Accumulated Depreciation Balance
Half Year Convention used on depreciation

| |
|---------|
| 43,767 |
| - |
| 729,931 |

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.4

| Account | Description | No. | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | 2003 Plant Additions | 2003 Plant Adjustments | 2003 Adjusted Plant Additions | 2003 Plant Retirements | 2003 Plant Balance | 2003 Deprec. |
|---------|---|-----|--------------------------------------|-------------------------------------|----------------------------|------------------------------|-------------------------------------|------------------------------|--------------------------|-----------------|
| 301 | Organization Cost | | 0.00% | 0.00% | - | - | - | - | - | - |
| 302 | Franchise Cost | | 0.00% | 0.00% | - | - | - | - | 4,276 | - |
| 303 | Land and Land Rights | | 0.00% | 0.00% | 197 | - | 197 | - | 16,737 | - |
| 304 | Structures and Improvements | | 5.00% | 3.33% | 30 | - | 30 | - | 216,696 | 7,215 |
| 307 | Wells and Springs | | 5.00% | 3.33% | 7,050 | - | 7,050 | - | 127,710 | 4,135 |
| 311 | Electric Pumping Equipment | | 5.00% | 12.50% | 13,730 | - | 13,730 | - | 46,089 | 4,903 |
| 320 | Water Treatment Equipment | | 5.00% | 3.33% | - | - | - | - | - | - |
| 330 | Distribution Reservoirs & Standpipe | | 5.00% | 2.22% | - | - | - | - | 170,730 | 3,790 |
| 331 | Transmission and Distribution Mains | | 5.00% | 2.00% | - | - | - | - | 616,500 | 12,330 |
| 333 | Services | | 5.00% | 3.33% | 2,093 | - | 2,093 | - | 15,557 | 483 |
| 334 | Meters | | 5.00% | 8.33% | 3,876 | - | 3,876 | - | 33,424 | 2,623 |
| 335 | Hydrants | | 5.00% | 2.00% | - | - | - | - | 20,337 | 407 |
| 336 | Backflow Prevention Devices | | 5.00% | 6.67% | - | - | - | - | - | - |
| 339 | Other Plant and Miscellaneous Equipment | | 5.00% | 6.67% | - | - | - | - | - | - |
| 340 | Office Furniture and Fixtures | | 5.00% | 6.67% | - | - | - | - | 2,640 | 176 |
| 340.1 | Computer Equipment | | 5.00% | 20.00% | 11,536 | 7,860 | 19,396 | (15,067) | 19,396 | 3,446 |
| 341 | Transportation Equipment | | 5.00% | 20.00% | - | - | - | - | 25,636 | 5,127 |
| 342 | Stores Equipment | | 5.00% | 4.00% | - | - | - | - | - | - |
| 343 | Tools and Work Equipment | | 5.00% | 5.00% | 452 | - | 452 | - | 3,641 | 171 |
| 344 | Laboratory Equipment | | 5.00% | 10.00% | - | - | - | - | - | - |
| 345 | Power Operated Equipment | | 5.00% | 5.00% | - | - | - | - | - | - |
| 346 | Communications Equipment | | 5.00% | 10.00% | - | - | - | - | 4,957 | 496 |
| 347 | Miscellaneous Equipment | | 5.00% | 10.00% | - | - | - | - | 1,493 | 149 |
| 348 | Other Tangible Plant | | 5.00% | 10.00% | - | - | - | - | - | - |

| | | | | | | | |
|-----|--|--------|-------|--------|----------|-----------|--------|
| (a) | TOTAL WATER PLANT | 38,964 | 7,860 | 46,824 | (15,067) | 1,325,819 | 45,452 |
| | Depreciation | | | | | | |
| | Staff Accumulated Depreciation Allocated to Plant. | | | | | | |
| | Retirements (excluding land) | | | | | (15,067) | |
| | Accumulated Depreciation Balance | | | | | 760,316 | |
| | Half Year Convention used on depreciation | | | | | | |

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.5

| Account | No. | Description | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | 2004 Plant Additions | 2004 Plant Adjustments * | 2004 Adjusted Plant | 2004 Plant Retirements | 2004 Plant Balance | 2004 Deprec. |
|---------|-----|---|-----------------------------|----------------------------|----------------------|--------------------------|---------------------|------------------------|--------------------|--------------|
| 301 | | Organization Cost | 0.00% | 0.00% | - | - | - | - | - | - |
| 302 | | Franchise Cost | 0.00% | 0.00% | - | - | - | - | 4,276 | - |
| 303 | | Land and Land Rights | 0.00% | 0.00% | 193 | - | 193 | - | 16,930 | - |
| 304 | | Structures and Improvements | 5.00% | 3.33% | - | - | - | - | 216,696 | 7,216 |
| 307 | | Wells and Springs | 5.00% | 3.33% | - | - | - | - | 127,710 | 4,253 |
| 311 | | Electric Pumping Equipment | 5.00% | 12.50% | 11,257 | - | 11,257 | - | 57,346 | 6,465 |
| 320 | | Water Treatment Equipment | 5.00% | 3.33% | - | - | - | - | - | - |
| 330 | | Distribution Reservoirs & Standpipe | 5.00% | 2.22% | - | - | - | - | 170,730 | 3,790 |
| 331 | | Transmission and Distribution Mains | 5.00% | 2.00% | - | - | - | - | 616,500 | 12,330 |
| 333 | | Services | 5.00% | 3.33% | - | - | - | - | 15,557 | 518 |
| 334 | | Meters | 5.00% | 8.33% | 787 | - | 787 | - | 34,211 | 2,817 |
| 335 | | Hydrants | 5.00% | 2.00% | - | - | - | - | 20,337 | 407 |
| 336 | | Backflow Prevention Devices | 5.00% | 6.67% | - | - | - | - | - | - |
| 339 | | Other Plant and Miscellaneous Equipment | 5.00% | 6.67% | - | - | - | - | - | - |
| 340 | | Office Furniture and Fixtures | 5.00% | 6.67% | 178 | - | 178 | - | 2,818 | 182 |
| 340.1 | | Computer Equipment | 5.00% | 20.00% | 1,435 | - | 1,435 | - | 20,831 | 4,023 |
| 341 | | Transportation Equipment | 5.00% | 20.00% | - | - | - | - | 25,636 | 828 |
| 342 | | Stores Equipment | 5.00% | 4.00% | - | - | - | - | - | - |
| 343 | | Tools and Work Equipment | 5.00% | 5.00% | - | - | - | - | 3,641 | 182 |
| 344 | | Laboratory Equipment | 5.00% | 10.00% | - | - | - | - | - | - |
| 345 | | Power Operated Equipment | 5.00% | 5.00% | - | - | - | - | - | - |
| 346 | | Communications Equipment | 5.00% | 10.00% | - | - | - | - | 4,957 | 496 |
| 347 | | Miscellaneous Equipment | 5.00% | 10.00% | - | - | - | - | 1,493 | 149 |
| 348 | | Other Tangible Plant | 5.00% | 10.00% | - | - | - | - | - | - |

| | | | | | | | | | |
|--------------------------|---|--------|---|--------|---|---|---|-----------|--------|
| TOTAL WATER PLANT | | | | | | | | | |
| (a) | Depreciation | 13,850 | - | 13,850 | - | - | - | 1,339,669 | 43,655 |
| | Staff Accumulated Depreciation Allocated to Plant | | | | | | | 43,655 | |
| | Retirements (excluding land) | | | | | | | - | |
| | Accumulated Depreciation Balance | | | | | | | 803,971 | |
| | Half Year Convention used on depreciation | | | | | | | | |

| | | | | | |
|-----|---|-----|---------------|-----------|--------|
| 942 | - | 942 | - | 1,340,611 | 43,747 |
| | | | <u>43,747</u> | | |

TOTAL WATER PLANT

(a) Depreciation
Staff Accumulated Depreciation Allocated to Plant.
Retirements (excluding land)
Accumulated Depreciation Balance
Half Year Convention used on depreciation

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.7

| Account | No. | Description | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | 2006 Plant Additions | 2006 Plant Adjustments | 2006 Adjusted Plant | 2006 Plant Retirements | 2006 Plant Balance | 2006 Deprec. |
|---------|-------|---|-----------------------------|----------------------------|----------------------|------------------------|---------------------|------------------------|--------------------|--------------|
| | 301 | Organization Cost | 0.00% | 0.00% | - | - | - | - | - | - |
| | 302 | Franchise Cost | 0.00% | 0.00% | - | - | - | - | 4,276 | - |
| | 303 | Land and Land Rights | 0.00% | 0.00% | 173 | - | 173 | - | 17,241 | - |
| | 304 | Structures and Improvements | 5.00% | 3.33% | 49,898 | - | 49,898 | - | 266,594 | 8,047 |
| | 307 | Wells and Springs | 5.00% | 3.33% | - | - | - | - | 127,710 | 4,253 |
| | 311 | Electric Pumping Equipment | 5.00% | 12.50% | 3,151 | - | 3,151 | - | 60,497 | 7,365 |
| | 320 | Water Treatment Equipment | 5.00% | 3.33% | - | - | - | - | - | - |
| | 330 | Distribution Reservoirs & Standpipe | 5.00% | 2.22% | - | - | - | - | 170,730 | 3,790 |
| | 331 | Transmission and Distribution Mains | 5.00% | 2.00% | - | - | - | - | 616,500 | 12,330 |
| | 333 | Services | 5.00% | 3.33% | 993 | - | 993 | - | 15,557 | 518 |
| | 334 | Meters | 5.00% | 8.33% | - | - | - | - | 35,927 | 2,951 |
| | 335 | Hydrants | 5.00% | 2.00% | - | - | - | - | 20,337 | 407 |
| | 336 | Backflow Prevention Devices | 5.00% | 6.67% | - | - | - | - | - | - |
| | 339 | Other Plant and Miscellaneous Equipment | 5.00% | 6.67% | - | - | - | - | 2,818 | 188 |
| | 340 | Office Furniture and Fixtures | 5.00% | 6.67% | - | - | - | - | 20,831 | 4,166 |
| | 340.1 | Computer Equipment | 5.00% | 20.00% | - | - | - | - | 25,636 | - |
| | 341 | Transportation Equipment | 5.00% | 20.00% | - | - | - | - | - | - |
| | 342 | Stores Equipment | 5.00% | 4.00% | - | - | - | - | - | - |
| | 343 | Tools and Work Equipment | 5.00% | 5.00% | - | - | - | - | 3,641 | 182 |
| | 344 | Laboratory Equipment | 5.00% | 10.00% | - | - | - | - | - | - |
| | 345 | Power Operated Equipment | 5.00% | 5.00% | - | - | - | - | - | - |
| | 346 | Communications Equipment | 5.00% | 10.00% | 65 | - | 65 | - | 5,103 | 385 |
| | 347 | Miscellaneous Equipment | 5.00% | 10.00% | - | - | - | - | 1,493 | 73 |
| | 348 | Other Tangible Plant | 5.00% | 10.00% | - | - | - | - | - | - |

| | | | | | | |
|--|--------|---|--------|---|-----------|--------|
| | 54,280 | - | 54,280 | - | 1,394,891 | 44,655 |
| TOTAL WATER PLANT | | | | | | |
| Depreciation | | | | | | |
| (a) Staff Accumulated Depreciation Allocated to Plant. | | | | | | |
| Retirements (excluding land) | | | | | | |
| Accumulated Depreciation Balance | | | | | | |
| Half Year Convention used on depreciation | | | | | | |

Oak Creek Water Company
Plant Additions and Retirements

Exhibit
Page 15.8

| Account | Deprec. Rate Before 10/2001 | Deprec. Rate After 10/2001 | Year End Accumulated Depreciation by Account | | | | | | | | | | | | | | | | | | | |
|---------|---|----------------------------------|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------|
| | | | 2000 | | Dec. | 2001 | | Dec. | 2002 | | Dec. | 2003 | | Dec. | 2004 | | Dec. | 2005 | | Dec. | 2006 | |
| | | | June | Dec. | Dec. | June | Dec. | Dec. | June | Dec. | Dec. | June | Dec. | Dec. | June | Dec. | Dec. | June | Dec. | Dec. | June | Dec. |
| 301 | | 0.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 302 | Organization Cost | 0.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 303 | Franchise Cost | 0.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 304 | Land and Land Rights | 0.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 307 | Structures and Improvements | 5.00% | 101,315 | 106,730 | 116,959 | 124,173 | 131,388 | 138,604 | 145,820 | 153,867 | 161,914 | 169,961 | 178,008 | 186,058 | 194,105 | 202,152 | 210,199 | 218,246 | 226,293 | 234,340 | 242,387 | |
| 311 | Wells and Springs | 5.00% | 56,433 | 59,450 | 65,147 | 69,165 | 73,300 | 77,553 | 81,806 | 86,058 | 90,311 | 94,564 | 98,817 | 103,070 | 107,323 | 111,576 | 115,829 | 120,082 | 124,335 | 128,588 | 132,841 | |
| 320 | Electric Pumping Equipment | 5.00% | 15,134 | 15,943 | 17,966 | 22,011 | 26,914 | 33,378 | 40,547 | 47,912 | 55,277 | 62,642 | 70,007 | 77,372 | 84,737 | 92,102 | 99,467 | 106,832 | 114,197 | 121,562 | 128,927 | |
| 330 | Water Treatment Equipment | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 331 | Distribution Reservoirs & Standpipe | 5.00% | 79,851 | 84,119 | 91,865 | 95,655 | 99,445 | 103,235 | 107,026 | 110,816 | 114,606 | 118,396 | 122,186 | 125,976 | 129,766 | 133,556 | 137,346 | 141,136 | 144,926 | 148,716 | 152,506 | |
| 333 | Transmission and Distribution Mains | 5.00% | 288,339 | 303,752 | 331,494 | 343,824 | 356,154 | 368,484 | 380,814 | 393,144 | 405,474 | 417,804 | 430,134 | 442,464 | 454,794 | 467,124 | 479,454 | 491,784 | 504,114 | 516,444 | 528,774 | |
| 334 | Services | 5.00% | 6,201 | 6,533 | 7,159 | 7,604 | 8,087 | 8,605 | 9,123 | 9,641 | 10,159 | 10,677 | 11,195 | 11,713 | 12,231 | 12,749 | 13,267 | 13,785 | 14,303 | 14,821 | 15,339 | |
| 335 | Meters | 5.00% | 12,818 | 13,504 | 15,051 | 17,461 | 20,084 | 22,901 | 25,781 | 28,732 | 31,683 | 34,634 | 37,585 | 40,536 | 43,487 | 46,438 | 49,389 | 52,340 | 55,291 | 58,242 | 61,193 | |
| 336 | Hydrants | 5.00% | 9,512 | 10,020 | 10,935 | 11,342 | 11,749 | 12,155 | 12,562 | 12,969 | 13,376 | 13,783 | 14,190 | 14,597 | 15,004 | 15,411 | 15,818 | 16,225 | 16,632 | 17,039 | 17,446 | |
| 339 | Backflow Prevention Devices | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 340 | Other Plant and Miscellaneous Equipment | 5.00% | 1,165 | 1,227 | 1,359 | 1,530 | 1,706 | 1,888 | 2,076 | 2,264 | 2,452 | 2,640 | 2,828 | 3,016 | 3,204 | 3,392 | 3,580 | 3,768 | 3,956 | 4,144 | 4,332 | |
| 340.1 | Office Furniture and Fixtures | 5.00% | 7,047 | 7,424 | 8,554 | 11,567 | (54) | 3,969 | 8,135 | 12,301 | 16,467 | 20,633 | 24,800 | 28,966 | 33,132 | 37,298 | 41,464 | 45,630 | 49,796 | 53,962 | 58,128 | |
| 341 | Computer Equipment | 5.00% | 11,990 | 12,631 | 14,554 | 19,681 | 24,808 | 25,636 | 26,464 | 27,292 | 28,120 | 28,948 | 29,776 | 30,604 | 31,432 | 32,260 | 33,088 | 33,916 | 34,744 | 35,572 | 36,400 | |
| 342 | Transportation Equipment | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 343 | Stores Equipment | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 344 | Tools and Work Equipment | 5.00% | 1,351 | 1,423 | 1,568 | 1,720 | 1,891 | 2,073 | 2,255 | 2,437 | 2,619 | 2,801 | 2,983 | 3,165 | 3,347 | 3,529 | 3,711 | 3,893 | 4,075 | 4,257 | 4,439 | |
| 344 | Laboratory Equipment | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 345 | Power Operated Equipment | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| 346 | Communications Equipment | 5.00% | 2,318 | 2,442 | 2,731 | 3,227 | 3,723 | 4,219 | 4,715 | 5,211 | 5,707 | 6,203 | 6,699 | 7,195 | 7,691 | 8,187 | 8,683 | 9,179 | 9,675 | 10,171 | 10,667 | |
| 347 | Miscellaneous Equipment | 5.00% | 698 | 736 | 823 | 972 | 1,121 | 1,271 | 1,420 | 1,569 | 1,718 | 1,867 | 2,016 | 2,165 | 2,314 | 2,463 | 2,612 | 2,761 | 2,910 | 3,059 | 3,208 | |
| 348 | Other Tangible Plant | 5.00% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |

TOTAL WATER PLANT

Depreciation

(a) Staff Accumulated Depreciation Allocated to Plant.

Retirements (excluding land)

Accumulated Depreciation Balance

Half Year Convention used on depreciation

| | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---------|
| 594,174 | 625,934 | 686,164 | 729,931 | 760,316 | 803,971 | 847,718 | 892,373 |
|---------|---------|---------|---------|---------|---------|---------|---------|

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

COMPARATIVE STATEMENT OF INCOME AND EXPENSES

| | OPERATING REVENUES | PRIOR YEAR | TEST YEAR | Ref | ADJMT | ADJUSTED TEST YEAR |
|--------|----------------------------------|--------------------|--------------------|-----|-------|--------------------|
| 461 | Metered Water Revenue | \$ 252,320 | \$ 265,367 | | | \$ 265,367 |
| 460 | Unmetered Water Revenue | - | - | | | - |
| 474 | Other Water Revenues | 6,355 | 5,755 | | | 5,755 |
| | TOTAL REVENUES | \$ 258,675 | \$ 271,122 | | | \$ 271,122 |
| | | | | | | |
| | OPERATING EXPENSES | | | | | |
| 601 | Salaries and Wages | \$ 110,796 | \$ 122,460 | 6a | 3,594 | \$ 126,054 |
| 610 | Purchased Water | - | - | | | - |
| 615 | Purchased Power | 34,893 | 42,391 | | | 42,391 |
| 618 | Chemicals | - | - | | | - |
| 619 | Water Treatment | - | - | | | - |
| 620 | Repairs and Maintenance | 12,574 | 25,698 | | | 25,698 |
| 621 | Office Supplies and Expense | 8,458 | 9,532 | 5 | 166 | 9,698 |
| 630 | Outside Services | 23,015 | 7,116 | | | 7,116 |
| 635 | Water Testing | 3,763 | 2,481 | | | 2,481 |
| 641 | Rents | 50 | 75 | | | 75 |
| 650 | Transportation Expenses | 4,151 | 5,135 | | | 5,135 |
| 657 | Insurance - General Liability | 3,657 | 5,040 | 3 | 1,266 | 6,306 |
| 659 | Insurance - Health & Life | 7,747 | 9,418 | 7 | 1,582 | 11,000 |
| 666 | Reg. Commission Expense | - | - | 4 | 3,333 | 3,333 |
| 675 | Miscellaneous Expense | 3,142 | 2,189 | | | 2,189 |
| 403 | Depreciation | 43,747 | 44,655 | 1 | 611 | 45,266 |
| 408 | Taxes Other Than Income | 8,509 | 9,489 | 6b | 1,953 | 11,442 |
| 408.11 | Property Taxes | 11,304 | 12,418 | 2 | (878) | 11,540 |
| 670 | Bad Debt Expense | | 811 | | | 811 |
| 409 | Income Tax | - | - | | | - |
| | TOTAL OPERATING EXP. | \$ 275,806 | \$ 298,909 | | | \$ 310,537 |
| | | | | | | |
| | OPERATING INC.(LOSS) | \$ (17,131) | \$ (27,787) | | | \$ (39,414) |
| | | | | | | |
| | OTHER INC./(EXPENSE) | | | | | |
| 419 | Interest and Dividend Income | \$ 9,301 | \$ 16,501 | | | \$ 16,501 |
| 421 | Non-Utility Income | | - | | | - |
| 426 | Miscellaneous Non-Utility Income | | | | | - |
| 427 | Interest Expense | (64) | (91) | | | (91) |
| | TOTAL OTHER INC.(EXP.) | \$ 9,237 | \$ 16,410 | | | \$ 16,410 |
| | | | | | | |
| | NET INCOME/(LOSS) | \$ (7,894) | \$ (11,376) | | | \$ (23,004) |

Source: 2006 Accountant's Compliance Report

Revised 10/28/2003

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

COMPARATIVE STATEMENT OF INCOME AND EXPENSES

| | OPERATING REVENUES | PRIOR YEAR | TEST YEAR | Ref | ADJMT | ADJUSTED TEST YEAR | Proposed Rates | Proposed Test Year |
|--------|----------------------------------|--------------------|--------------------|-----|-------|-----------------------|-------------------|-----------------------|
| 461 | Metered Water Revenue | \$ 252,320 | \$ 265,367 | | | \$ 265,367 | 72,384 | \$ 337,751 |
| 460 | Unmetered Water Revenue | - | - | | | - | | - |
| 474 | Other Water Revenues | 6,355 | 5,755 | | | 5,755 | | 5,755 |
| | TOTAL REVENUES | \$ 258,675 | \$ 271,122 | | | \$ 271,122 | | \$ 343,506 |
| | OPERATING EXPENSES | | | | | | | |
| 601 | Salaries and Wages | \$ 110,796 | \$ 122,460 | 6a | 3,594 | \$ 126,054 | | \$ 126,054 |
| 610 | Purchased Water | - | - | | | - | | - |
| 615 | Purchased Power | 34,893 | 42,391 | | | 42,391 | | 42,391 |
| 618 | Chemicals | - | - | | | - | | - |
| 619 | Water Treatment | - | - | | | - | | - |
| 620 | Repairs and Maintenance | 12,574 | 25,698 | | | 25,698 | | 25,698 |
| 621 | Office Supplies and Expense | 8,458 | 9,532 | 5 | 166 | 9,698 | | 9,698 |
| 630 | Outside Services | 23,015 | 7,116 | | | 7,116 | | 7,116 |
| 635 | Water Testing | 3,763 | 2,481 | | | 2,481 | | 2,481 |
| 641 | Rents | 50 | 75 | | | 75 | | 75 |
| 650 | Transportation Expenses | 4,151 | 5,135 | | | 5,135 | | 5,135 |
| 657 | Insurance - General Liability | 3,657 | 5,040 | 3 | 1,266 | 6,306 | | 6,306 |
| 659 | Insurance - Health & Life | 7,747 | 9,418 | 7 | 1,582 | 11,000 | | 11,000 |
| 666 | Reg. Commission Expense | - | - | 4 | 3,333 | 3,333 | | 3,333 |
| 675 | Miscellaneous Expense | 3,142 | 2,189 | | | 2,189 | | 2,189 |
| 403 | Depreciation | 43,747 | 44,655 | 1 | 611 | 45,266 | | 45,266 |
| 408 | Taxes Other Than Income | 8,509 | 9,489 | 6b | 1,953 | 11,442 | | 11,442 |
| 408.11 | Property Taxes | 11,304 | 12,418 | 2 | (878) | 11,540 | | 11,540 |
| 670 | Bad Debt Expense | - | 811 | | | 811 | | 811 |
| 409 | Income Tax | - | - | | | - | | - |
| | TOTAL OPERATING EXP. | \$ 275,806 | \$ 298,909 | | | \$ 310,537 | | \$ 310,537 |
| | OPERATING INC.(LOSS) | \$ (17,131) | \$ (27,787) | | | \$ (39,414) | | \$ 32,970 |
| | OTHER INC./(EXPENSE) | | | | | | | |
| 419 | Interest and Dividend Income | \$ 9,301 | \$ 16,501 | | | \$ 16,501 | | \$ 16,501 |
| 421 | Non-Utility Income | - | - | | | - | | - |
| 426 | Miscellaneous Non-Utility Income | - | - | | | - | | - |
| 427 | Interest Expense | (64) | (91) | | | (91) | | (91) |
| | TOTAL OTHER INC.(EXP.) | \$ 9,237 | \$ 16,410 | | | \$ 16,410 | | \$ 16,410 |
| | NET INCOME/(LOSS) | \$ (7,894) | \$ (11,376) | | | \$ (23,004) | | \$ 49,380 |

Source: 2006 Accountant's Compliance Report
Revised 10/28/2003

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

COMPUTATION OF INCOME TAXES

| | Test Year | Adjusted Test Year | Test Year at Proposed Rates |
|---|----------------|-----------------------|-----------------------------------|
| Taxable Income | \$ (11,376) | \$ (23,004) | \$ 50,914 |
| Income Before Taxes | \$ (11,376) | \$ (23,004) | \$ 50,914 |
| Arizona Income Before Taxes | \$ (11,376) | \$ (23,004) | \$ 50,914 |
| Less Arizona Income Tax (Rate 6.97%) | 6.97% \$ (793) | \$ (1,603) | \$ 3,549 |
| Arizona Taxable Income | \$ (10,583) | \$ (21,401) | \$ 47,365 |
| Arizona Income Taxes | \$ (793) | \$ (1,603) | \$ 3,549 |
| Federal Income Before Taxes | \$ (11,376) | \$ (23,004) | \$ 50,914 |
| Less Arizona Income Taxes | \$ (793) | \$ (1,603) | \$ 3,549 |
| Federal Taxable Income | \$ (10,583) | \$ (21,401) | \$ 47,365 |
| FEDERAL INCOME TAXES: | | | |
| 15% BRACKET | \$ (1,588) | \$ (3,210) | \$ 7,105 |
| 25% BRACKET | \$ - | \$ - | \$ - |
| 34% BRACKET | \$ - | \$ - | \$ - |
| 39% BRACKET | \$ - | \$ - | \$ - |
| 34% BRACKET | \$ - | \$ - | \$ - |
| 91650 | | | |
| Federal Income Taxes | \$ (1,588) | \$ (3,210) | \$ 7,105 |
| Total Income Tax | \$ (2,380) | \$ (4,814) | \$ 10,654 |
| Tax Rate | 20.92% | 20.92% | 20.92% |

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

PROFORMA ADJUSTMENTS
Adjustment 1

Annualization of Depreciation Expense

| | |
|--|------------------|
| Full Year Depreciation from Page 20 | \$ 45,266 |
| Less: Amortization of Contributions ¹ | - |
| Annualized Depreciation & Amortization Expense | <u>\$ 45,266</u> |
| Test Year Depreciation Expense | <u>\$ 44,655</u> |
| Increase (decrease) in depreciation expense | <u>\$ 611</u> |

| | |
|--|----------------------|
| Adjustment to Revenues and/or Expenses | <u><u>\$ 611</u></u> |
|--|----------------------|

| | |
|---|----------------|
| ¹ Amortization of Contributions: | |
| Gross Contributions | \$ 327,704 |
| Accumulated Amortization | <u>327,704</u> |
| Net Contributions Balance | <u>\$ -</u> |

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

CALCULATION OF DEPRECIATION EXPENSE

| Acct No. | Description | Original Cost | Depreciation Percentage | Depreciation Expense |
|-------------|---|---------------------|----------------------------|-------------------------|
| | | Column A | Column B | Column C * |
| 301 | Organization | \$ - | 0.00% | \$ - |
| 302 | Franchises | 4,276 | 0.00% | - |
| 303 | Land and Land Rights | 17,241 | 0.00% | |
| 304 | Structures and Improvements | 266,594 | 3.33% | 8,878 |
| 307 | Wells and Springs | 127,710 | 3.33% | 4,253 |
| 311 | Pumping Equipment | 60,497 | 12.50% | 7,562 |
| 320 | Water Treatment Equipment | - | 3.33% | - |
| 330 | Distribution Reservoirs and Standpipes | 170,730 | 2.22% | 3,790 |
| 331 | Transmission and Distrib. Mains | 616,500 | 2.00% | 12,330 |
| 333 | Services | 15,557 | 3.33% | 518 |
| 334 | Meters and Meter Installations | 35,927 | 8.33% | 2,993 |
| 335 | Hydrants | 20,337 | 2.00% | 407 |
| 336 | Backflow Prevention Devices | - | 6.67% | - |
| 339 | Other Plant and Misc. Equipment | - | 6.67% | - |
| 340 | Office Furniture and Equipment | 2,818 | 6.67% | 188 |
| 340.1 | Computer Equipment | 20,831 | 20.00% | 4,166 ¹ |
| 341 | Transportation Equipment | 25,636 | 20.00% | - ¹ |
| 342 | Stores Equipment | - | 4.00% | |
| 343 | Tools, Shop and Garage Equipment. | 3,641 | 5.00% | 182 |
| 344 | Laboratory Equipment | - | 10.00% | - |
| 345 | Power Operated Equipment | - | 5.00% | - |
| 346 | Communication Equipment | 5,103 | 10.00% | - ¹ |
| 347 | Miscellaneous Equipment | 1,493 | 10.00% | - ¹ |
| 348 | Other Tangible Plant | - | 10.00% | - |
| | TOTAL WATER PLANT | \$ 1,394,891 | | \$ 45,266 |

Note: Use Test Year ending balances for column 1, and approved depreciation rates from the prior rate case in column 2.

¹ Fully Depreciated

* Column C = Column A x Column B

Revised 10/28/2003

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

BALANCE SHEET

| | ASSETS | BALANCE AT BEGINNING OF TEST YEAR | BALANCE AT END OF TEST YEAR |
|-----|---|---|-----------------------------------|
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ 75 | \$ 75 |
| 134 | Working Funds | 76,594 | 14,275 |
| 135 | Temporary Cash Investments | 326,370 | 352,807 |
| 141 | Customer Accounts Receivable | 16,519 | 16,581 |
| 146 | Notes/Receivables from Associated Companies | - | |
| 151 | Plant Materials and Supplies | 8,582 | 8,582 |
| 162 | Prepayments | - | - |
| 174 | Miscellaneous Current and Accrued Assets | 10,549 | 26,100 |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 438,689 | \$ 418,420 |
| | FIXED ASSETS | | |
| 101 | Utility Plant In Service * | \$ 1,340,611 | \$ 1,394,891 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation - Utility Plant ** | (847,718) | (892,373) |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation - Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 492,893 | \$ 502,518 |
| | TOTAL ASSETS | \$ 931,582 | \$ 920,938 |

Note: Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.

** Must equal page 15, original cost.*

*** Must equal Page 15, accumulated depreciation.*

Revised 10/28/2003

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
|--|---------------------------------------|

BALANCE SHEET

| | LIABILITIES | BALANCE AT BEGINNING OF TEST YEAR | BALANCE AT END OF TEST YEAR |
|-----|---|---|-----------------------------------|
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | \$ - | \$ - |
| 232 | Notes Payable (Current Portion) | - | - |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | 1,441 | 1,281 |
| 236 | Accrued taxes | 8,525 | 9,193 |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | 150 | 210 |
| | TOTAL CURRENT LIABILITIES | \$ 10,116 | \$ 10,684 |
| | LONG-TERM DEBT (Over 12 Months) | | |
| 224 | Long-Term Notes and Bonds | \$ - | \$ - |
| | DEFERRED CREDITS | | |
| 251 | Unamortized Premium on Debt | \$ - | \$ - |
| 252 | Advances in Aid of Construction * | 36,436 | 36,289 |
| 255 | Accumulated Deferred Investment Tax Credits | | |
| 271 | Contributions in Aid of Construction ** | 327,704 | 327,704 |
| 272 | less: Amortization of Contributions | (327,704) | (327,704) |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$ 36,435 | \$ 36,289 |
| | TOTAL LIABILITIES | \$ 46,551 | \$ 46,973 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ - | \$ - |
| 211 | Paid in Capital in Excess of Par Value | 17,605 | 17,605 |
| 215 | Retained Earnings | 867,426 | 856,360 |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ 885,031 | \$ 873,965 |
| | TOTAL LIABILITIES AND CAPITAL | \$ 931,582 | \$ 920,938 |

Note: Account 272 should be subtracted from Total Deferred Credits.

*Must equal page 24, Total Advances in Aid of Construction.

** Must equal page 25, Total Advances.

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (3 units) | 1st Quarter Ended: 3/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | 2 |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | 1 |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | 2 |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | 1 |
| 90,001 to 100,000 | | - |
| Over 100,000 | | |
| (List actual gallons) | | |
| 124,000 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 6 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (3 units) | 3rd Quarter Ended: 6/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | 1 |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | 1 |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | 1 |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | 1 |
| 90,001 to 100,000 | | 1 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 124,000 | | 1 |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 6 |

REVISED
Docekt No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (3 units) | 3rd Quarter Ended: 9/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | 1 |
| 6,001 to 7,000 | | 2 |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | 1 |
| 70,001 to 80,000 | | 2 |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | - |
| Over 100,000 | | |
| (List actual gallons) | | |
| 124,000 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| | | |
| Total Bills | | 6 |

REVISED
Docekt No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (3 units) | 4th Quarter Ended: 12/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | 2 |
| 6,001 to 7,000 | | 1 |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | 1 |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | 1 |
| 90,001 to 100,000 | | 1 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 124,000 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 6 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (3 units) | |

BILL COUNT SUMMARY

| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | Total |
|-----------------------|----------|----------|----------|----------|-----------|
| 0 | - | - | - | - | - |
| 1 to 1,000 | - | - | - | - | - |
| 1,001 to 2,000 | - | - | - | - | - |
| 2,001 to 3,000 | - | - | - | - | - |
| 3,001 to 4,000 | - | - | - | - | - |
| 4,001 to 5,000 | - | - | - | - | - |
| 5,001 to 6,000 | - | - | 1 | 2 | 3 |
| 6,001 to 7,000 | 2 | - | 2 | 1 | 5 |
| 7,001 to 8,000 | - | 1 | - | - | 1 |
| 8,001 to 9,000 | 1 | - | - | - | 1 |
| 9,001 to 10,000 | - | - | - | - | - |
| 10,001 to 12,000 | - | 1 | - | - | 1 |
| 12,001 to 14,000 | - | - | - | - | - |
| 14,001 to 16,000 | - | - | - | - | - |
| 16,001 to 18,000 | - | - | - | - | - |
| 18,001 to 20,000 | - | - | - | - | - |
| 20,001 to 25,000 | - | - | - | - | - |
| 25,001 to 30,000 | - | 1 | - | - | 1 |
| 30,001 to 35,000 | - | - | - | - | - |
| 35,001 to 40,000 | - | - | - | - | - |
| 40,001 to 45,000 | - | - | - | - | - |
| 45,001 to 50,000 | - | - | - | - | - |
| 50,001 to 60,000 | 2 | - | - | - | 2 |
| 60,001 to 70,000 | - | - | 1 | 1 | 2 |
| 70,001 to 80,000 | - | - | 2 | - | 2 |
| 80,001 to 90,000 | 1 | 1 | - | 1 | 3 |
| 90,001 to 100,000 | - | 1 | - | 1 | 2 |
| Over 100,000 | | | | | |
| (List actual gallons) | | | | | |
| 124,000 | - | 1 | - | - | 1 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| Total Bills | 6 | 6 | 6 | 6 | 24 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 1st Quarter Ended: 3/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | 6 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 103,400 | | 1 |
| 114,400 | | 1 |
| 137,800 | | 1 |
| 138,700 | | - |
| 173,700 | | - |
| 177,100 | | - |
| CONTINUED NEXT PAGE | | |
| | | |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 1st Quarter Ended: 3/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------|
| Over 100,000 | | |
| (List actual gallons) | CONTINUED | |
| 203,800 | | - |
| 157,700 | | - |
| 163,600 | | - |
| 121,100 | | - |
| 125,400 | | - |
| 135,500 | | - |
| 134,400 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 9 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 2nd Quarter Ended: 6/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | 2 |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | 1 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 103,400 | | - |
| 114,400 | | - |
| 137,800 | | - |
| 138,700 | | 1 |
| 173,700 | | 1 |
| 177,100 | | 1 |
| CONTNUED NEXT PAGE | | |

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (7 units) | 2nd Quarter Ended: 6/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------|
| Over 100,000 | | |
| (List actual gallons) | CONTINUED | |
| 203,800 | | 1 |
| 157,700 | | 1 |
| 163,600 | | 1 |
| 121,100 | | - |
| 125,400 | | - |
| 135,500 | | - |
| 134,400 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 9 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 3rd Quarter Ended: 9/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | 1 |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | 2 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 103,400 | | - |
| 114,400 | | - |
| 137,800 | | - |
| 138,700 | | - |
| 173,700 | | - |
| 177,100 | | - |
| CONTINUED NEXT PAGE | | |

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 3rd Quarter Ended: 9/30/2006 |

290

REVISED
Docekt No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 4th Quarter Ended: 12/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|---------------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | 1 |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | 2 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 103,400 | | - |
| 114,400 | | - |
| 137,800 | | - |
| 138,700 | | - |
| 173,700 | | - |
| 177,100 | | - |
| | CONTINUED NEXT PAGE | |
| | | |

REVISED
Docekt No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | 4th Quarter Ended: 12/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| Over 100,000 | | |
| (List actual gallons) | CONTINUED | |
| 203,800 | | - |
| 157,700 | | - |
| 163,600 | | - |
| 121,100 | | 1 |
| 125,400 | | - |
| 135,500 | | - |
| 134,400 | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| - | | - |
| Total Bills | | 4 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (7 units) | |

BILL COUNT SUMMARY

| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | Total |
|-----------------------|---------|---------|---------|---------|-------|
| 0 | - | - | - | - | - |
| 1 to 1,000 | - | - | - | - | - |
| 1,001 to 2,000 | - | - | - | - | - |
| 2,001 to 3,000 | - | - | - | - | - |
| 3,001 to 4,000 | - | - | - | - | - |
| 4,001 to 5,000 | - | - | - | - | - |
| 5,001 to 6,000 | - | - | - | - | - |
| 6,001 to 7,000 | - | - | - | - | - |
| 7,001 to 8,000 | - | - | - | - | - |
| 8,001 to 9,000 | - | - | - | - | - |
| 9,001 to 10,000 | - | - | - | - | - |
| 10,001 to 12,000 | - | - | - | - | - |
| 12,001 to 14,000 | - | - | - | - | - |
| 14,001 to 16,000 | - | - | - | - | - |
| 16,001 to 18,000 | - | - | - | - | - |
| 18,001 to 20,000 | - | - | - | - | - |
| 20,001 to 25,000 | - | - | - | - | - |
| 25,001 to 30,000 | - | - | - | - | - |
| 30,001 to 35,000 | - | - | - | - | - |
| 35,001 to 40,000 | - | - | - | - | - |
| 40,001 to 45,000 | - | - | - | - | - |
| 45,001 to 50,000 | - | - | - | - | - |
| 50,001 to 60,000 | - | - | - | - | - |
| 60,001 to 70,000 | - | - | 1 | - | 1 |
| 70,001 to 80,000 | - | 2 | - | 1 | 3 |
| 80,001 to 90,000 | - | - | - | - | - |
| 90,001 to 100,000 | 6 | 1 | 2 | 2 | 11 |
| Over 100,000 | | | | | |
| (List actual gallons) | | | | | |
| 103,400 | 1 | - | - | - | 1 |
| 114,400 | 1 | - | - | - | 1 |
| 137,800 | 1 | - | - | - | 1 |
| 138,700 | - | 1 | - | - | 1 |
| 173,700 | - | 1 | - | - | 1 |
| 177,100 | - | 1 | - | - | 1 |
| CONTINUED NEXT PAGE | | | | | - |
| | | | | | |

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (7 units) | |

[illegible]

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (24 units) | 1st Quarter Ended: 3/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | 2 |
| 60,001 to 70,000 | | 1 |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | - |
| Over 100,000 | | |
| (List actual gallons) | | |
| 121,300 | | - |
| 161,700 | | - |
| 119,300 | | - |
| - | | - |
| - | | - |
| - | | - |
| | | |
| Total Bills | | 3.00 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (24 units) | 3rd Quarter Ended: 6/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | 1 |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | 2 |
| Over 100,000 | | |
| (List actual gallons) | | |
| 121,300 | | - |
| 161,700 | | - |
| 119,300 | | - |
| - | | - |
| - | | - |
| - | | - |
| | | |
| Total Bills | | 3 |

REVISED
Docket no. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (24 units) | 3rd Quarter Ended: 9/30/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | - |
| 60,001 to 70,000 | | - |
| 70,001 to 80,000 | | - |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | - |
| Over 100,000 | | |
| (List actual gallons) | | |
| 121,300 | | 1 |
| 161,700 | | 1 |
| 119,300 | | 1 |
| - | | - |
| - | | - |
| - | | - |
| | | |
| Total Bills | | 3 |

REVISED
Docket No. W-01392A-07-0679

| | |
|---|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Multi-Unit (24 units) | 4th Quarter Ended: 12/31/2006 |

| GALLONAGE RANGE | NUMBER OF BILLS | TOTAL BILLS FOR QUARTER |
|-----------------------|-----------------|-------------------------------|
| 0 | | - |
| 1 to 1,000 | | - |
| 1,001 to 2,000 | | - |
| 2,001 to 3,000 | | - |
| 3,001 to 4,000 | | - |
| 4,001 to 5,000 | | - |
| 5,001 to 6,000 | | - |
| 6,001 to 7,000 | | - |
| 7,001 to 8,000 | | - |
| 8,001 to 9,000 | | - |
| 9,001 to 10,000 | | - |
| 10,001 to 12,000 | | - |
| 12,001 to 14,000 | | - |
| 14,001 to 16,000 | | - |
| 16,001 to 18,000 | | - |
| 18,001 to 20,000 | | - |
| 20,001 to 25,000 | | - |
| 25,001 to 30,000 | | - |
| 30,001 to 35,000 | | - |
| 35,001 to 40,000 | | - |
| 40,001 to 45,000 | | - |
| 45,001 to 50,000 | | - |
| 50,001 to 60,000 | | 1 |
| 60,001 to 70,000 | | 1 |
| 70,001 to 80,000 | | 1 |
| 80,001 to 90,000 | | - |
| 90,001 to 100,000 | | - |
| Over 100,000 | | |
| (List actual gallons) | | |
| 121,300 | | - |
| 161,700 | | - |
| 119,300 | | - |
| - | | - |
| - | | - |
| - | | - |
| | | |
| Total Bills | | 3 |

REVISED
Docket No. W-01392A-07-0679

| | |
|--|---------------------------------------|
| Company Name: OAK CREEK WATER CO. No. 1 | Test Year Ended: December 31, 2006 |
| Meter Size: 3/4 Inch Mult-Unit (24 units) | |

BILL COUNT SUMMARY

| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | Total |
|-----------------------|----------|----------|----------|----------|-----------|
| 0 | - | - | - | - | - |
| 1 to 1,000 | - | - | - | - | - |
| 1,001 to 2,000 | - | - | - | - | - |
| 2,001 to 3,000 | - | - | - | - | - |
| 3,001 to 4,000 | - | - | - | - | - |
| 4,001 to 5,000 | - | - | - | - | - |
| 5,001 to 6,000 | - | - | - | - | - |
| 6,001 to 7,000 | - | - | - | - | - |
| 7,001 to 8,000 | - | - | - | - | - |
| 8,001 to 9,000 | - | - | - | - | - |
| 9,001 to 10,000 | - | - | - | - | - |
| 10,001 to 12,000 | - | - | - | - | - |
| 12,001 to 14,000 | - | - | - | - | - |
| 14,001 to 16,000 | - | - | - | - | - |
| 16,001 to 18,000 | - | - | - | - | - |
| 18,001 to 20,000 | - | - | - | - | - |
| 20,001 to 25,000 | - | - | - | - | - |
| 25,001 to 30,000 | - | - | - | - | - |
| 30,001 to 35,000 | - | - | - | - | - |
| 35,001 to 40,000 | - | - | - | - | - |
| 40,001 to 45,000 | - | - | - | - | - |
| 45,001 to 50,000 | - | - | - | - | - |
| 50,001 to 60,000 | 2 | 1 | - | 1 | 4 |
| 60,001 to 70,000 | 1 | - | - | 1 | 2 |
| 70,001 to 80,000 | - | - | - | 1 | 1 |
| 80,001 to 90,000 | - | - | - | - | - |
| 90,001 to 100,000 | - | 2 | - | - | 2 |
| Over 100,000 | - | - | - | - | - |
| (List actual gallons) | | | | | |
| 121,300 | - | - | 1 | - | 1 |
| 161,700 | - | - | 1 | - | 1 |
| 119,300 | - | - | 1 | - | 1 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| Total Bills | 3 | 3 | 3 | 3 | 12 |

Certificate of Compliance Letter of Good Standing

Oak Creek Water Co. No. 1

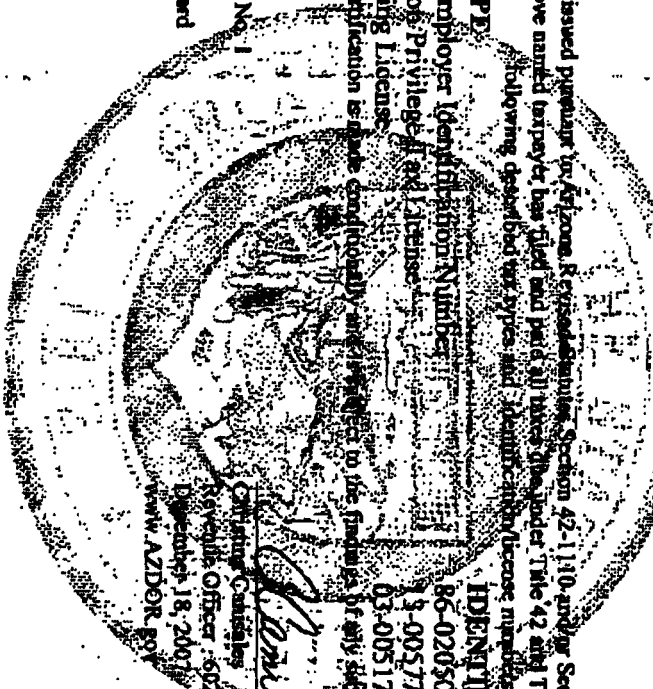
This Certificate of Compliance is issued pursuant to Arizona Revised Statutes, Section 42-1110 and/or Section 43-1151. It certifies that, according to department records, the above named taxpayer has filed and paid all taxes due under Title 42 and Title 43, specifically and only as to the following described tax types and identification numbers:

TAX TYPE
Federal Employer Identification Number
Transactions Privileged and License
Withholding License

This certification is made confidentially and is subject to the financial privacy disclosure audit.

Issued To:

Oak Creek Water Co. No. 1
Attn: J. Paul Slevin
90 Oak Creek Boulevard
Sedona, AZ 86336



Christine Castles
Revenue Officer - 602-716-6234
December 18, 2007
www.AZDOR.gov

Jan. 9. 2008 11:05AM

No. 5948 P. 2/2

**Arizona Department of Environmental Quality
Drinking Water Monitoring and Protection Unit
1110 W. Washington Street, 5415B-1
Phoenix, AZ 85007**

Drinking Water Compliance Status Report

Public Water System Name: Oak Creek Water Co. #1Public Water System ID #: 13-041Public Water System Type: ☒ Community ☐ Non-transient Non-community ☐ Transient Non-communityOverall Compliance Status: ☒ No Major Deficiencies ☐ Major DeficienciesMonitoring and Reporting Status: ☒ No Major Deficiencies ☐ Major DeficienciesComments: *None*Operation and Maintenance Status: ☒ No Major Deficiencies ☐ Major DeficienciesComments: *None*

Major unresolved/ongoing operation and maintenance deficiencies:

- | | |
|---|---|
| <input type="checkbox"/> unable to maintain 20psi | <input type="checkbox"/> inadequate storage |
| <input type="checkbox"/> cross connection/backflow problems | <input type="checkbox"/> surface water treatment rule |
| <input type="checkbox"/> treatment deficiencies | <input type="checkbox"/> approval of construction |
| <input type="checkbox"/> certified operator | <input type="checkbox"/> other |

Date of last inspection / sanitary survey: 5-23-01**Administrative Orders:**Is an ADEQ administrative order in effect? ☐ Yes ☒ NoComments: *None***System Information:**Number of Entry Points to the Distribution System 3 Number of Sources 3Population Served 1500 Service Connections 700 Initial Monitoring Year 1995Evaluation completed by: Donna Calderon, Manager, Drinking Water Monitoring and Protection UnitPhone: 602-771-4841Date: January 9, 2008

Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. This compliance status report does not guarantee the water quality for this system in the future. This compliance status report does not reflect the status of any other water system owned by this utility company.

Oak Creek Water Company
Plant Invoices Summary

| Date | Year | Invoice | Vendor | Amount Capitalized | INVOICE PROVIDED | REASON NOT PROVIDED | NARUC 303 | 304 | 307 | 311 | 333 | 334 | 340 | 343 | 346 | 347 |
|------------|------|----------------|-----------------------------------|--------------------|------------------|------------------------------|-----------|--------|-----|--------|-----|-----|-----|-------|-----|-----|
| 2/10/2006 | 2006 | STMT | Dick Sitts | 1,258.00 | YES | | 304 | 1,258 | | | | | | | | |
| 2/10/2006 | 2006 | 1369214-1586-7 | Waste Management | 81.53 | YES | | 304 | 82 | | | | | | | | |
| 3/1/2006 | 2006 | 1377813-1586-6 | Waste Management | 410.92 | YES | | 304 | 411 | | | | | | | | |
| 3/14/2006 | 2006 | STMT | Dick Sitts | 1,065.00 | YES | | 304 | 1,065 | | | | | | | | |
| 4/4/2006 | 2006 | STMT | Dick Sitts | 4,979.00 | YES | | 304 | 4,979 | | | | | | | | |
| 4/10/2006 | 2006 | 1386249-1586-4 | Waste Management | 82.84 | YES | | 304 | 83 | | | | | | | | |
| 4/10/2006 | 2006 | 1386248-1586-4 | Waste Management | 204.00 | YES | | 304 | 204 | | | | | | | | |
| 4/14/2006 | 2006 | STMT | Dick Sitts | 4,191.00 | YES | | 304 | 4,191 | | | | | | | | |
| 4/25/2006 | 2006 | STMT | Dick Sitts | 4,465.25 | YES | | 304 | 4,465 | | | | | | | | |
| 5/5/2006 | 2006 | STMT | Dick Sitts | 8,780.00 | YES | | 304 | 8,780 | | | | | | | | |
| 5/11/2006 | 2006 | 1394384-1586-7 | Waste Management | 1,270.86 | YES | | 304 | 1,271 | | | | | | | | |
| 5/11/2006 | 2006 | 1394548-1586-7 | Waste Management | 483.16 | YES | | 304 | 483 | | | | | | | | |
| 5/19/2006 | 2006 | STMT | Dick Sitts | 3,154.00 | YES | | 304 | 3,154 | | | | | | | | |
| 5/27/2006 | 2006 | STMT | Dick Sitts | 5,355.00 | YES | | 304 | 5,355 | | | | | | | | |
| 6/9/2006 | 2006 | STMT | Dick Sitts | 5,707.00 | YES | | 304 | 5,707 | | | | | | | | |
| 6/11/2006 | 2006 | 1403922-1586-3 | Waste Management | 614.08 | YES | | 304 | 614 | | | | | | | | |
| 12/31/2006 | 2006 | Various | Easements 7th Day | 173.00 | NO | Various < \$150 not required | 303 | 173 | | | | | | | | |
| 6/1/2006 | 2006 | 1403921-1586-5 | Waste Management | 502.07 | YES | | 304 | 502 | | | | | | | | |
| 6/30/2006 | 2006 | STMT | Dick Sitts | 7,294.00 | YES | | 304 | 7,294 | | | | | | | | |
| 7/6/2006 | 2006 | 3706 | Collingwood Pumps | 575.50 | YES | | 311 | 576 | | | | | | | | |
| 6/15/2006 | 2006 | 3684 | Collingwood Pumps | 2,575.68 | YES | | 311 | 2,576 | | | | | | | | |
| 9/21/2006 | 2006 | 102590 | Arizona Water Works | 493.50 | YES | | 334 | 494 | | | | | | | | |
| 12/31/2006 | 2006 | Various | Misc Equipment | 65.00 | NO | < \$150 not required | 347 | 65 | | | | | | | | |
| 2/22/2006 | 2006 | 98635 | Arizona Water Works | 499.88 | YES | | 334 | 500 | | | | | | | | |
| TOTALS | | | | 54,280.27 | | | 173 | 49,898 | | 3,151 | | | 993 | | | 65 |
| 12/31/2005 | 2005 | Various | Easements 7th Day | 138.00 | NO | Various < \$150 not required | 303 | 138 | | | | | | | | |
| 9/14/2005 | 2005 | 95726 | Arizona Water Works | 722.81 | YES | | 334 | 723 | | | | | | | | |
| 3/11/2005 | 2005 | Chk 6304 | CSCO Computer Consulting | 81.25 | NO | < \$150 not required | 340.1 | | | | | | | 81 | | |
| TOTALS | | | | 942.06 | | | 138 | 723 | | | | | | 81 | | |
| 5/28/2004 | 2004 | 3227 | Collingwood Pumps | 11,256.77 | YES | | 311 | | | 11,257 | | | | | | |
| 12/31/2004 | 2004 | Various | Easements 7th Day | 193.00 | NO | Various < \$150 not required | 303 | 193 | | | | | | | | |
| 7/22/2004 | 2004 | 87239 | Arizona Water Works | 787.07 | YES | | 334 | 787 | | | | | | | | |
| 2/9/2004 | 2004 | 2386 | Office Furniture of Sedona | 177.51 | YES | | 340 | | | | | 178 | | | | |
| 12/31/2003 | 2004 | STMT | RVS Software | 425.00 | YES | | 340.1 | | | | | | 425 | | | |
| 7/15/2004 | 2004 | Chk 6107 | RVS Software | 300.00 | NO | Missing Invoice | 340.1 | | | | | | | 300 | | |
| 3/18/2004 | 2004 | Chk 6013 | CSCO Computer Consulting | 65.00 | NO | < \$150 not required | 340.1 | | | | | | | 65 | | |
| 11/12/2004 | 2004 | Chk 6197 | CSCO Computer Consulting | 32.50 | NO | < \$150 not required | 340.1 | | | | | | | 33 | | |
| 1/17/2004 | 2004 | 401107 | CSCO Computer Consulting | 612.50 | YES | | 340.1 | | | | | | | 613 | | |
| TOTALS | | | | 13,849.35 | | | 193 | 11,257 | | 11,257 | | 787 | 178 | 1,435 | | |
| 7/15/2003 | 2003 | STMT | Earl Excavating | 1,102.28 | YES | | 311 | | | 1,102 | | | | | | |
| 8/6/2003 | 2003 | Various | Navajo Pump | 10,743.26 | YES | | 311 | | | 10,743 | | | | | | |
| 1/16/2003 | 2003 | 4911 | AZ Jobsite Concrete | 321.15 | YES | | 333 | 321 | | | | | | | | |
| 2/12/2003 | 2003 | T300205 | Tiffany Construction | 306.90 | YES | | 333 | 307 | | | | | | | | |
| 2/3/2003 | 2003 | STMT | Earl Excavating | 1,275.73 | YES | | 333 | 1,276 | | | | | | | | |
| 3/26/2003 | 2003 | 4457 | Tulin Construction | 189.38 | YES | | 333 | 189 | | | | | | | | |
| 9/15/2003 | 2003 | Various | VISA | 1,311.59 | YES | | 334 | | | | | | | | | |
| 8/14/2003 | 2003 | 80415 | Arizona Water Works | 998.04 | YES | | 334 | 1,312 | | | | | | | | |
| 5/14/2003 | 2003 | 78702 | Arizona Water Works | 991.72 | YES | | 334 | 998 | | | | | | | | |
| 4/17/2003 | 2003 | 24113 | Hughes Supply | 442.41 | YES | | 334 | 442 | | | | | | | | |
| 4/9/2003 | 2003 | Chk 5723 | Hughes Supply | 132.06 | NO | < \$150 not required | 334 | | | | | | | | | |
| 1/16/2003 | 2003 | Various | VISA | 451.85 | YES | | 343 | 132 | | | | | | | | |
| 10/29/2003 | 2003 | 52042 | RVS Software | 1,947.75 | YES | | 340.1 | | | | | | | 452 | | |
| 10/19/2003 | 2003 | Chk 5897 | CSCO Customer Computers | 6,492.27 | YES | | 340.1 | | | | | | | 1,948 | | |
| 11/25/2003 | 2003 | Various | CSCO Customer Computers | 2,306.78 | YES | | 340.1 | | | | | | | 6,492 | | |
| 12/14/2003 | 2003 | 312111 | CSCO Customer Computers | 789.27 | YES | | 340.1 | | | | | | | 2,307 | | |
| 12/31/2003 | 2003 | Various | Accountant WORK-IN-PROGRESS TRNFR | 1,864.95 | NO | Various small invoices | 311 | | | 1,885 | | | | 789 | | |
| 12/31/2003 | 2003 | Various | Easements 7th Day | 197.00 | NO | Various < \$150 not required | 303 | 197 | | | | | | | | |
| 4/14/2003 | 2003 | Chk 2254 | City of Sedona Permit | 30.00 | NO | < \$150 not required | 304 | 30 | | | | | | | | |

Oak Creek Water Company
Plant Invoices Summary

| Date | Year | Invoice | Vendor | Amount Capitalized | INVOICE PROVIDED | REASON NOT PROVIDED | NARCUS 303 | 304 | 307 | 311 | 333 | 334 | 340 | 340.1 | 343 | 346 | 347 |
|------------|------|-----------|----------------------------------|--------------------|------------------|------------------------------|------------|-----|-------|--------|-------|-------|-----|--------|-----|-----|-----|
| 12/19/2003 | 2003 | 02-199 | CW Divers | 4,888.00 | YES | | 307 | - | 4,888 | - | - | - | - | - | - | - | - |
| 4/14/2003 | 2003 | 1361 | Western Fence | 2,162.00 | YES | | 307 | - | 2,162 | - | - | - | - | - | - | - | - |
| 10/19/2003 | 2003 | 310111 | CSCO Customer Computers | 1,158.02 | YES | | 340.1 | - | - | - | - | - | - | 1,158 | - | - | - |
| 10/19/2003 | 2003 | 310112 | CSCO Customer Computers | 1,016.92 | YES | | 340.1 | - | - | - | - | - | - | 1,017 | - | - | - |
| 10/23/2003 | 2003 | 310115 | CSCO Customer Computers | 3,312.44 | YES | | 340.1 | - | - | - | - | - | - | 3,312 | - | - | - |
| 10/29/2003 | 2003 | 52042 | RVS Software | 1,947.75 | YES | | 340.1 | - | - | - | - | - | - | 1,948 | - | - | - |
| 12/31/2003 | 2003 | Statement | RVS Software | 425.00 | YES | | 340.1 | - | - | - | - | - | - | 425 | - | - | - |
| | | | TOTALS | 46,824.62 | | | 197 | 30 | 7,050 | 13,730 | 2,093 | 3,876 | - | 19,396 | 452 | - | - |
| 9/5/2002 | 2002 | 74821 | Arizona Water Works | 684.92 | YES | | 334 | - | - | - | - | - | - | - | - | - | - |
| 8/8/2002 | 2002 | 74332 | Arizona Water Works | 215.19 | YES | | 334 | - | - | - | - | 685 | - | - | - | - | - |
| 7/2/2002 | 2002 | 73686 | Arizona Water Works | 150.63 | YES | | 334 | - | - | - | - | 151 | - | - | - | - | - |
| 3/22/2002 | 2002 | Chk 5385 | Arizona Water Works | 66.74 | NO | < \$150 not required | 334 | - | - | - | - | 67 | - | - | - | - | - |
| 11/13/2002 | 2002 | Chk 5591 | Hughes Supply | 120.11 | NO | < \$150 not required | 334 | - | - | - | - | 120 | - | - | - | - | - |
| 11/13/2002 | 2002 | Chk 5591 | Hughes Supply | 102.95 | NO | < \$150 not required | 333 | - | - | - | 103 | - | - | - | - | - | - |
| 12/11/2002 | 2002 | Chk 5620 | Hughes Supply | 101.80 | NO | < \$150 not required | 333 | - | - | - | 102 | - | - | - | - | - | - |
| 12/11/2002 | 2002 | Chk 5620 | Hughes Supply - sewer collar/lid | 43.80 | NO | < \$150 not required | 304 | - | 44 | - | - | - | - | - | - | - | - |
| 12/31/2002 | 2002 | Various | Easements 7th Day | 934.61 | NO | Various < \$150 not required | 303 | 935 | - | - | - | - | - | - | - | - | - |
| 11/15/2002 | 2002 | Chk 5603 | Joel Zaske - pipe threader | 300.00 | NO | | 343 | - | - | - | - | - | - | - | - | 300 | - |
| 7/25/2002 | 2002 | Chk 2228 | Office Furniture of Sedona Chair | 148.60 | NO | < \$150 not required | 340 | - | - | - | - | - | 149 | - | - | - | - |
| | | | TOTALS | 2,869.15 | | | 935 | 44 | - | - | 205 | 1,238 | 149 | - | - | 300 | - |
| 1/8/2001 | 2001 | 64022 | Arizona Water Works | 96.75 | YES | | 334 | - | - | - | - | - | - | - | - | - | - |
| 12/31/2001 | 2001 | 64927 | Easements 7th Day | 437.29 | NO | Various < \$150 not required | 303 | 437 | - | - | - | 97 | - | - | - | - | - |
| 3/5/2001 | 2001 | 64927 | Arizona Water Works | 806.00 | YES | | 334 | - | - | - | - | 806 | - | - | - | - | - |
| | | | TOTALS | 1,340.04 | | | 437 | - | - | - | - | 903 | - | - | - | - | - |

Item 4 - Plant Invoices
Additional 2003 Invoices

**Invoice**

| DATE | INVOICE # |
|------------|-----------|
| 10/19/2003 | 310111 |

BILL TO:

SHIP TO:

OAK CREEK WATER COMPANY
Attn: John Madzik
90 Oak Creek Blvd
Sedona, AZ 86336

| P.O. NUMBER | TERMS | REP | SHIP | VIA | F.O.B. | PROJECT |
|-------------|------------|-----|------------|--------------|--------|---------|
| JM | On Receipt | | 10/15/2003 | FedEx Ground | | |

| QUANTITY | ITEM CODE | DESCRIPTION | PRICE EACH | AMOUNT |
|----------|-----------|---------------------------------------|------------|----------|
| 1 | 405504 | LEXMARK T632 40PPM 64MB LASER PRINTER | 1,059.00 | 1,059.00 |
| | | Sales Tax | 9.35% | 99.02 |

OAK CREEK WATER CO., NO. 1

CSCO Custom Computers Inc
1375 · Computer Equipment

10/30/2003

5897

6,492.27

0.00 *

3,312.44 + -115

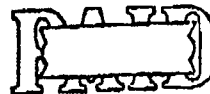
1,158.02 + -111

1,016.92 + -112

349.88 + 113

6.5.01 + 114

6,492.27 *



Bank of America - invoice # 310111-310115

6,492.27

TOTAL

51,158.02



Invoice

| DATE | INVOICE # |
|------------|-----------|
| 10/19/2003 | 310112 |

BILL TO

OAK CREEK WATER COMPANY
Attn: John Madzik
90 Oak Creek Blvd
Sedona, AZ 86336

SHIP TO

| P.O. NUMBER | TERMS | REP | SHIP | VIA | F.O.B | PROJECT |
|-------------|------------|-----|------------|--------------|-------|---------|
| JM | On Receipt | | 10/15/2003 | FedEx Ground | | |

| QUANTITY | ITEM CODE | DESCRIPTION | PRICE EACH | AMOUNT |
|----------|-----------|--|------------|--------|
| 3 | 229396 | NEC/MITSUBISHI ACCUSYNC LCD 15IN LCD FLAT-PANEL MONITOR (BLACK CABINET) | 309.99 | 929.97 |
| | | Sales Tax | 9.35% | 86.95 |

TOTAL**\$1,016.92**



CSCO CUSTOM COMPUTERS INC
 Mailing Address:
 140 Stutz Bearcat Drive
 Sedona, AZ 86336
 (928) 282-3417

Invoice

DATE

INVOICE #

10/23/2003

310115

BILL TO

SHIP TO

OAK CREEK WATER COMPANY
 Attn: John Madzik
 90 Oak Creek Blvd
 Sedona, AZ 86336

| P.O. NUMBER | TERMS | REP | SHIP | VIA | F.O.B | PROJECT |
|-------------|------------|-----|------------|--------------|-------|---------|
| JM | On Receipt | | 10/15/2003 | FedEx Ground | | |

| QUANTITY | ITEM CODE | DESCRIPTION | PRICE EACH | AMOUNT |
|----------|-----------------|---|------------|----------|
| 1 | 3 Custom System | CUSTOM INTEL PENTIUM 4 XP WORKSTATION [P4-D845GE-2.4-512] Intel Desktop Board D845GERG2L w/Intel 845GE Chipset w/Intel Extreme Graphics using Dynamic Video Memory Technology (DVMT - 366MHz 64MB) w/Support for Intel Pentium 4 Processor featuring Hyper-Threading Technology with 533-MHz System Bus w/Integrated Intel PRO/100 Network Connection w/AGP 4X/2X 1.5V Connector w/Support for up to 2GB Non-ECC DDR333 Memory (w/2 DIMM Sockets) w/Three PCI Slots w/Six Hi-Speed USB 2.0 Ports w/Integrated AC'97 Audio with SoundMAX Cadenza and Stereo Microphone Input w/Intel Precision Cooling Technology w/Intel Rapid BIOS Boot w/Support for Instantly Available PC (Suspend-to-RAM) w/Three-Year Warranty, Intel Pentium 4 Processor 2.4GHz w/512K Level 2 Advanced Transfer Cache w/533MHz Front-Side Bus (FSB) w/Three-Year Warranty, Antec Sonata Lifestyle Series Chassis Quiet (20.4dBA) MidTower Case in Sleek Piano Black High-Gloss Finish w/TruePower 380W ATX12V Power Supply w/Two USB & One IEEE1394 (Firewire, iLink) Front Expansion Ports & Front Audio Jacks w/Rear 120mm Exhaust Fan w/Rubber-Grommated Internal Drive Bays to Absorb Hard Drive Vibrations w/Three-Year Warranty, 512MB Kingston System Memory KVR333X64C25/256 256MB 333MHz DDR PC2700 Non-ECC DIMM CL2.5 (2 pcs.), Seagate Barracuda 7200.7 Hard Drive 80GB ATA/100 8.5ms 7200rpm High-Performance Hard Drive (ST380011A), Teac Combo DVD-Rom/CDRW Drive 42X24X48X16 IDE CD-Writer CDR CDRW DVD-Reader Combo Drive (w/Black Bezel), Teac Floppy Drive 1.44MB FD (w/Black Bezel), Microsoft Wireless Optical Desktop Cordless Keyboard and Optical Intellimouse w/PS2/USB w/Smart Receiver (Black w/Silver), Microsoft XP Professional 2002 Advanced Desktop Operating System, Symantec Norton Internet Security 2003 Antivirus Protection w/90-Day Subscription, Microsoft Works Suite 2004 featuring Microsoft Word 2002 (full version) - Microsoft Works 7.0 - Microsoft Picture It! Photo Premium 9.0 - Encarta Encyclopedia Standard 2004 - Microsoft Money 2004 Standard - Microsoft Streets & Trips 2004 | 999.00 | 2,997.00 |

TOTAL



CSCC CUSTOM COMPUTERS INC

Mailing Address:
140 Stutz Bearcat Drive
Sedona, AZ 86338
(928) 282-3417

Invoice

DATE
10/23/2003

INVOICE #
310115

BILL TO

OAK CREEK WATER COMPANY
Attn: John Madzik
90 Oak Creek Blvd
Sedona, AZ 86336

SHIP TO

| P.O. NUMBER | TERMS | REP | SHIP | VIA | FOB | PROJECT |
|-------------|------------|-----|------------|--------------|-----|---------|
| JM | On Receipt | | 10/15/2003 | FedEx Ground | | |

| QUANTITY | ITEM CODE | DESCRIPTION | PRICE EACH | AMOUNT |
|----------|-------------|-----------------------------|------------|--------|
| | Reimb Group | | | |
| | | S&H (Microsoft) | 9.47 | 9.47 |
| | | S&H (Microsoft) | 10.03 | 10.03 |
| | | S&H (intel) | 15.72 | 15.72 |
| | | Total Reimbursable Expenses | | 35.22 |
| | | Sales Tax | 9.35% | 280.22 |

TOTAL

\$3,312.44

RVS Software**317 Ranch Rd 620 S. Suite 310 Austin, TX 78734 (512) 263-8096 (800) 227-9195*****Invoice***

10-29-2003

Account # 301

Invoice # 52042

Oak Creek Water Co. #1
90 Oak Creek Blvd.
Sedona AZ

86336

| Description | Qty. | Unit Price | Amount |
|---------------------|------|------------|-------------|
| RVS Mosaics Upgrade | 1 | 1,947.75 | 1,947.75 |
| | | | ===== |
| Total | | | \$ 1,947.75 |

OAK CREEK WATER CO., NO. 1

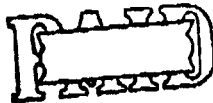
RVS Software
1375 - Computer Equipment

RVS Mosaics Upgrade (Windows)

11/17/2003

5915

1,947.75



Bank of America - Invoice #52042

1,947.75

New toll-free direct line for orders. (Forms & Supplies)**1-866-RVS-BILL (1-866-787-2455)**



UTILITY BILLING SYSTEMS
 317 RANCH ROAD 520 SOUTH, SUITE 310
 AUSTIN, TEXAS 78734-4727
 (800) 227-6195 • FAX: (512) 263-8099 • (512) 263-8096

STATEMENT

DATE
 12-31-03

Account 301

TO:

Oak Creek Water Co. #1
 90 Oak Creek Blvd.
 Sedona AZ
 86336-5643

AMOUNT DUE AMOUNT ENC

425.00

| DATE | TRANSACTION | AMOUNT | BALANCE |
|----------|------------------------------|---------|---------|
| | BEGINNING MONTH BALANCE | | 0.00 |
| 12-11-03 | INVOICE # 52907 | 425.00 | 425.00 |
| 12-16-03 | INVOICE # 52966 | 434.87 | 859.87 |
| 12-29-03 | PAYMENT : CHECK NUMBER: 5948 | -434.87 | 425.00 |

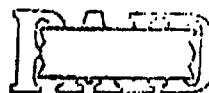
OAK CREEK WATER CO., NO. 1
 RVS Software

1340.1 • Computer and Software

more Windows accounts

1/15/2004

5966
 425.00



Bank of America - Account #301

425.00

| CURRENT | 1-30 DAYS PAST DUE | 31-60 DAYS PAST DUE | 61-90 DAYS PAST DUE | OVER 90 DAYS PAST DUE | AMOUNT DUE |
|---------|-----------------------|------------------------|------------------------|--------------------------|------------|
| 425.00 | 0.00 | 0.00 | 0.00 | 0.00 | 425.00 |

RVS SOFTWARE

Doc code: WD Page 1 of 2
Recorded in Yavapai County, AZ
Ass. Registrar-Trujillo, Recorder
CAPITAL TITLE AGENCY

Reception #: 4133211
BK 4563 / PG 269
05/02/2007 11:12AM
Rec Fee: 13.00

When recorded return to:
Ronald N. Rovey
Attorney at Law
1785 W. Hwy. 89A, Suite 3-I
Sedona, AZ 86336

Affidavit of Value Exemption
per A.R.S. §11-1134(A) (1)
Mail tax statements to
Oak Creek Water Company
90 Oak Creek Boulevard
Sedona, AZ 86336

52070142

WARRANTY DEED

For One Hundred Dollars, and other valuable considerations, the Arizona Conference Corporation of Seventh-Day Adventists, an Arizona non-profit corporation (hereinafter the "Grantor"), hereby grants and conveys to the Oak Creek Water Co., No. 1, an Arizona non-profit corporation, (hereinafter the "Grantee"), the following described real property, together with all rights and privileges appurtenant thereto:

A strip of land 45.00 feet wide being more particularly described as the East 145.00 feet of the West 170.00 feet of the North 45.00 feet of the West half of the Southwest quarter of the Southwest quarter of the Northwest quarter of Section 13, Township 17 North, Range 5 East of the Gila and Salt River Meridian in Yavapai County, Arizona.

Subject to current taxes and assessments, reservations in patents and any easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as may appear of record, the Grantor warrants the title against all persons whomsoever.

The Grantee's agreements and obligations established in the Easement and Option to Purchase between Grantor and Grantee (recorded on June 2, 1997, in Book 3417, Pages 844-848, Official Records of Yavapai County) shall continue until June 2, 2027, or until the Grantor's earlier waiver and release, whichever occurs first, to do and abide by the following:

1. the wellhead shall be screened and/or covered so that it is reasonably concealed from view;

Doc code: WD Page 2 of 2
 Recorded in Yavapai County, AZ
 Ana Rayman-Trujillo, Recorder
 CAPITAL TITLE AGENCY

Receipt # 4133211
 BK 4503 / PG 269
 05/02/2007 12:12AM
 Rec Fee: 13.00

2. reasonably refrain from doing any construction and other work or activities on the property on Saturdays, Sundays or principal holidays observed by the Grantor, except in the case of emergencies or other extenuating circumstances;
3. waive for a period of thirty years after June 2, 1997 (until June 2, 2027) the charges for water used by the Grantor up to but not exceeding five hundred forty dollars (\$540.00) per year (each twelve monthly period after June 2, 1997). If such payment arrangement is ever prohibited by the Arizona Corporation Commission or other governmental entity having jurisdiction thereof, then Grantee shall pay to Grantor a sum equal to the maximum amount of charges that would have been waived for Grantor's water use during the remainder of such thirty year period.

DATED this 23rd day of April, 2007.

ARIZONA CONFERENCE CORPORATION
 OF SEVENTH-DAY ADVENTISTS

By: Duane McKay
 Duane McKay, President

By: Kent Sharpe
 Kent Sharpe, Treasurer

STATE OF ARIZONA)
) ss.
 COUNTY OF MARICOPA)

The foregoing document was acknowledged before me this 23rd day of April, 2007, by Duane McKay, the president, and Kent Sharpe, the Treasurer, of the Arizona Conference Corporation of Seventh-Day Adventists, an Arizona non-profit corporation, on behalf of the corporation.



Corene V. Knopp
 Notary Public

SEAL